

PREFACE

The Comparison of State Unemployment Insurance Laws provides state-by-state information on workers covered, benefit eligibility, methods of financing, and other areas of interest in the Unemployment Insurance (UI) program.

The Comparison is published annually and this edition reflects the provisions of state law as of January 1, 2023, unless otherwise noted. Any permanent law changes made to State unemployment insurance laws after January 1, 2023, regardless of reason, will be included in the 2024 edition of this publication.

The Comparison is one of three regularly-provided reports from the Office of Unemployment Insurance (OUI) Division of Legislation. It may be used in conjunction with the *Report on State Legislation* and the *Significant Provisions of UI Law* available online at <https://oui.doleta.gov/unemploy/statelaws.asp#RecentStatelaws>. The Comparison is issued solely for informational, reference, and research purposes. It is not an official interpretation of state UI laws. The state laws and regulations should be consulted for the full text.

We recognize that the Comparison is useful only if it contains accurate data. States are encouraged to advise us of any needed corrections, either through their Federal regional office contacts or through the contacts listed below. All users are invited to provide comments on the Comparison. We would like to thank those states that supplied updates and corrections.

The Comparison is available online at <https://oui.doleta.gov/unemploy/statelaws.asp>. Other UI information is available online as listed in Appendix III of the Comparison.

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State-specific information on filing a UI claim, employment assistance, or employer information is available online at <https://www.careeronestop.org/localhelp/unemploymentbenefits/unemployment-benefits.aspx>.

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APPENDICES

- Appendix I: Acronyms Used in this Document
- Appendix II: State Abbreviations
- Appendix III: UI Information Online
- Appendix IV: Federal Unemployment Trust Fund

CHAPTER 1

COVERAGE

IN GENERAL

This chapter provides information about the variations among states with respect to coverage – which employers are liable for Unemployment Insurance (UI) contributions and which workers accrue UI benefit rights. To make that determination, the following questions must be answered:

- Were the services performed for an employer?
- Were the services performed in an employer-employee relationship?
- Were the services performed in employment?
- Were wages paid for the services?

If the answer is “yes” to all the questions listed then the services are covered by UI law. Note that not all payments may be considered “wages” for purposes of UI.

Services performed for certain nonprofit organizations, state and local governments, and federally-recognized Indian tribes are not subject to tax under the Federal Unemployment Tax Act (FUTA). Nevertheless, FUTA does require, as a condition for approval of the state’s UI law, that such services be covered by the state’s UI law. Federal law similarly extends coverage for federal service under the Unemployment Compensation for Federal Civilian Employees (UCFE) and Unemployment Compensation for Ex-Servicemembers (UCX) programs.

The federal and state definitions of employment exclude from coverage certain types of service as well. Since 1939, railroad workers have been excluded from the federal-state UI system. They are covered by a special federal UI program administered by the Railroad Retirement Board. Since this program is not administered by the states, it is not discussed further in this publication.

Beyond this, the taxing provisions of FUTA influence state coverage provisions since employers who pay taxes under an approved state UI law may credit their state contributions against a specified percentage of the FUTA tax owed.

EMPLOYERS

As mentioned above, one of the basic factors in determining coverage is whether services are performed for employers. The coverage provisions of most state laws use the terms “employing unit” and “employer” to make the distinctions needed to address this issue. “Employing unit” is the more generic term and applies to any one of several specified types of legal entities that has one or more individuals performing service for it within a state. An “employer” is an employing unit that meets the specific requirements of UI law. Accordingly, services provided for an “employer” are covered, and, as a result, an employer is subject to UI tax liability and its workers accrue rights to receive UI benefits.

For federal UI purposes, whether an employing unit is an employer depends on the number of days or weeks a worker is employed or the amount of the employing unit’s quarterly or yearly payroll. Except for agricultural labor and domestic service, FUTA applies to employing units who paid wages of \$1,500 or more

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during any calendar quarter in the current or immediately preceding calendar year, or to employing units with one or more workers on at least one day in each of 20 different weeks during the current or immediately preceding calendar year. About half of the states use this federal definition.

The following table provides information on which employing units are considered employers in each state that uses a definition other than the one in FUTA.

TABLE 1-1: DEFINITION OF EMPLOYER (IF DIFFERENT FROM FUTA 20 WEEKS/\$1,500 RULE)								
State	Minimum Period of Time or Payroll	Alternative Conditions	State	Minimum Period of Time or Payroll	Alternative Conditions	State	Minimum Period of Time or Payroll	Alternative Conditions
AK	Any time		AR	1 employee for 10 or more days in a CY		CA	Over \$100 in quarter	
DC	Any time		HI	Any time		IN	\$1 or more in quarter	Employer liable for wages to 1 or more workers
IA	Any wages in current or preceding quarter		MD	Any time		MA	13 weeks	\$1,500 in quarter
MI	20 weeks	\$1,000 in CY	MN	Any time		MT	\$1,000 in current or preceding year	
NV	\$225 in quarter		NJ	\$1,000 in year		NM	20 weeks	\$450 in quarter
NY	\$300 in quarter		OR	18 weeks	\$1,000 in quarter	PA	Any time	
PR	Any time		RI	Any time		UT	Any time	
VI	Any time		WA	Any time		WY	Any time	

Historical Note: The federal law was originally applicable to employing units of eight or more workers on at least one day in each of 20 different weeks in a calendar year. This threshold was reduced to four workers in 1956 and reduced again to one in 1972.

AGRICULTURAL LABOR—The FUTA agricultural labor provisions apply to employing units who paid wages in cash of \$20,000 or more for agricultural labor in any calendar quarter in the current or preceding calendar year, or who employed 10 or more workers on at least one day in each of 20 different weeks in the current or immediately preceding calendar year.

Under FUTA, agricultural labor is performed when workers:

- raise or harvest agricultural or horticultural products on a farm;
- work in connection with the operation, management, conservation, improvement, or maintenance of a farm and its tools and equipment;
- handle, process, or package any agricultural or horticultural commodity if a farm produced over half of the commodity (for a group of more than 20 operators, all of the commodity);
- do work related to cotton ginning, or processing crude gum from a living tree; or
- do housework in a private home if it is on a farm that is operated for profit.

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The term “farm” includes stock, dairy, poultry, fruit, fur-bearing animals, and truck farms, as well as plantations, ranches, nurseries, ranges, greenhouses, or other similar structures used primarily for raising agricultural or horticultural commodities, and orchards. Agricultural labor does not include reselling activities that do not involve any substantial activity of raising agricultural or horticultural commodities, such as operation of a retail store or a greenhouse used primarily for display or storage.

FUTA excludes coverage of certain temporary agricultural services performed by aliens. However, these services are counted in determining whether an agricultural employer meets the wage or size-of-firm requirements for coverage.

Most states have followed the FUTA provision and, therefore, have limited coverage to service performed on large farms. A few states cover services on smaller farms. The following table describes each state’s agricultural labor provisions that differ from the FUTA provisions.

TABLE 1-2: AGRICULTURAL LABOR PROVISIONS (IF DIFFERENT FROM FUTA 20 WEEKS/\$20,000 RULE)	
CA	1 at any time and wages in excess of \$100 in a CQ
DC	1 at any time
FL	5 in 20 weeks or \$10,000 in a CQ
MN	4 in 20 weeks or \$20,000 in a CQ; agricultural labor performed by an individual 16 years of age or younger is excluded from agricultural coverage unless the employer is covered under federal law
NY	1 at any time and wages in excess of \$300 in a CQ
PR	1 or more at any time
RI	1 or more at any time
TX	3 in at least 20 different calendar weeks of the calendar year or wages in cash of \$6,250 during a CQ
VI	1 or more at any time
WA	1 or more at any time, excluding workers attending or between terms in school; on corporate farms, does not include services performed by spouses or unmarried children under 18 years of age

Historical Note: When the UI program began, all agricultural labor was excluded from the definition of employment regardless of the size of the agricultural employer. A definition of agricultural labor, added to FUTA in 1939, also excluded from coverage some processing and marketing activities (services performed in the employ of someone other than the farmer) and services in the management and operation of a farm (if they were performed for the farm owner or operator). Amendments made to FUTA in 1970 changed the definition of agricultural labor, effectively extending coverage to some marginal agricultural activities. Additional amendments in 1976 added the current dollar/employment thresholds that resulted in coverage of services performed on large farms.

Determining the Employer for Agricultural Workers—Under FUTA, workers who are members of a crew furnished by a crew leader to perform service in agricultural labor for a farm operator are treated as employees of the crew leader if the leader is registered under the Migrant and Seasonal Agricultural Protection Act, or if substantially all of the members of the crew operate or maintain mechanized equipment furnished by a crew leader. A member of a crew furnished by a crew leader to perform service in agricultural labor for a farm operator will not be treated as an employee of the crew leader if the individual is an employee of the farm operator within the meaning of the state law. Conversely, any worker who is furnished by a crew leader to perform service in agricultural labor for a farm operator but who is not treated as an employee of the crew leader is treated as an employee of the farm operator. This special rule is intended to resolve any question as to whether an individual’s employer is the farm operator or crew leader. The same size-of-firm coverage provisions (10 in 20 weeks or \$20,000 in a calendar quarter) apply to a crew leader as to a farm operator.

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DOMESTIC SERVICE—FUTA applies to any employer who, during any calendar quarter in the current or preceding calendar year, paid wages in cash of \$1,000 or more for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority. The following table includes the provisions for states that do not utilize the FUTA definition for coverage of domestic service workers.

TABLE 1-3: DOMESTIC SERVICE PROVISIONS (IF DIFFERENT FROM FUTA \$1,000 RULE)	
CA	Covers in-home supportive services provided under the Welfare and Institution Code; does not include an in-home support provider paid via public funds and who is the service recipient's minor child, parent, or spouse
DC	At least \$500 in quarterly wages
HI	Excludes domestic in-home and community-based services for a person with developmental and intellectual disabilities under the Medicaid home and community-based services program or when provided to individuals ineligible for Medicaid and performed by an individual in the employ of a recipient of social service payments unless the individual is an employee and not an independent contractor of the recipient of social service payments under FUTA
NY	At least \$500 in quarterly wages
VA	Excludes: (1) medical services performed by an individual employed to perform those services in a private residence or medical institution if the employing unit is the person receiving the services; and (2) services performed under agreement with a Public Human Service Agency in the home of the recipient of the service or the provider of the service
VI	At least \$500 in quarterly wages

EMPLOYER-EMPLOYEE RELATIONSHIP

Most state laws contain strict tests to determine whether an individual is an employee or independent contractor. Generally, a key factor is whether there is sufficient absence of control by an employer, such that the worker is not classified as an employee, but rather an independent contractor. Many states use criteria commonly called the “ABC” test under which service for remuneration is considered employment, and the worker is deemed an employee unless each of the following factors are met:

- A. The worker is free from direction or control in the performance of the work;
- B. The service is performed either outside the usual course of the business for which it is performed or is performed outside of all places of business of the enterprise for which it is performed; and
- C. The individual is customarily engaged in an independent trade, occupation, profession, or business.

Other states have variations of the “ABC” test. For example, in some states only the “A” and “C” tests apply.

The Internal Revenue Service (IRS) uses a test built upon common law rules to determine whether direction and control exists in an employer/employee relationship, and to what degree. A few states use this IRS test instead of the “ABC” test. The IRS test is an analytical tool that evaluates the totality of the relationship; there is no set threshold of factors that must be met or not met in determining the employer/employee relationship. The IRS test looks at three basic types of evidence:

- Behavioral: Facts that illustrate whether there is a right to direct or control how the worker performed the specific task as opposed to what task the worker performed;
- Financial: Facts that illustrate whether there is a right to direct or control how the business aspects of a worker's activities are conducted; and
- Relationship: Facts that illustrate how the parties perceive their relationship to each other; whether the worker's activity is part of a regular business activity; employee benefits; and the intent of the parties.

COVERAGE

Factors of lesser importance include whether the work is part-time or full-time, the place of the work, and hours of work. None of the factors is singularly determinative, and some factors may not apply to certain occupations. The degree of importance of each factor may vary depending on the occupation.

The different tests used in states are listed in the following table.

TABLE 1-4: WORKERS CONSIDERED EMPLOYEES UNLESS									
State	Workers Free From Control Over Performance (A)	Service Outside Regular Course or Place of Employer's Business (B)	Worker in an Independent Business (C)	Other Tests	State	Workers Free From Control Over Performance (A)	Service Outside Regular Course or Place of Employer's Business (B)	Worker in an Independent Business (C)	Other Tests
AK	X	X	X		AL				Master-servant ¹
AR				IRS test	AZ				Entity employing test
CA	X	X	X	Other tests for specific occupations ²	CO	X		X	
CT	X	X	X		DC				Contract of hire
DE	X	X	X		FL	X	X	X	X ²
GA	X		X	IRS Determined	HI	X	X	X	
IA	X			Contract of hire	ID	X		X	
IL	X	X	X		IN	X	X	X	IRS test
KS	X				KY				Master-servant ¹ ; by judicial interpretation
LA	X	X	X		MA	X	X	X	
MD	X	X	X		ME	X	X	X	
MI				IRS test ³	MN			X	Master-servant ¹
MO				Common law right to control ⁴	MS	X			Master-servant ¹
MT				Independent contractor exemption certificate	NC				Contract creating employee relationship
ND				IRS test	NE	X	X	X	Contract creating employee relationship
NH	X	X	X		NJ	X	X	X	
NM	X	X	X		NV	X	X	X	

COVERAGE

TABLE 1-4: WORKERS CONSIDERED EMPLOYEES UNLESS

State	Workers Free From Control Over Performance (A)	Service Outside Regular Course or Place of Employer's Business (B)	Worker in an Independent Business (C)	Other Tests	State	Workers Free From Control Over Performance (A)	Service Outside Regular Course or Place of Employer's Business (B)	Worker in an Independent Business (C)	Other Tests
NY				Contract of hire	OH	X			Contract of hire
OK				IRS test	OR	X		X	
PA	X				PR	X	X	X	
RI	X	X	X		SC				Contract of hire
SD	X		X		TN				IRS test
TX				Common law	UT	X		X	
VA ⁵				IRS test	VI	X	X	X	
VT	X	X	X		WA	X	X	X	
WI				Statutory factors ⁶	WV	X	X	X	Contract of hire
WY	X			X ⁷					

¹ **AL, KY, MN, and MS** - master-servant refers generally to the employer's right of direction and control.

² **CA and FL** - in addition to the A, B, and C tests, the following tests are considered: 1) in locality, work is usually done by specialist without supervision; 2) specialized skill is required in the particular occupation; 3) length of time for which person is employed suggests an independent relationship; 4) method of payment is by the job rather than by time; 5) parties do not believe they are creating a master and servant relationship; 6) principal not in business; and 7) principal does not supply the instrumentalities, tools, and the place of work for the person doing the work.

³ **MI** - an individual from whom an employer is required to withhold federal income tax will be prima facie considered to perform services in employment.

⁴ **MO** - uses the IRS test for taxi-cab and rider referral service providers.

⁵ **VA** - the provision of personal protective equipment does not factor into classification of worker for coverage.

⁶ **WI** - direction and control and independent business (*i.e.* A and C) tests used for governmental and nonprofit entities, loggers, and truckers.

⁷ **WY** - individual must represent services to the public as being in self-employment or as an independent contractor, and individual must be able to substitute another individual to perform the services.

EMPLOYMENT

For UI purposes, employment is generally defined as the performance of any services, of whatever nature, by an employee for the person employing the individual. However, there are some exceptions. Also, since each state operates its own UI program, it is essential to determine which state covers a worker's employment. These topics are explored in the following section.

LOCATION OF EMPLOYMENT

Localization of Work—In general, workers are covered by the UI law of the state in which the work is performed. To avoid duplicate coverage or no coverage at all when a worker works for one employer in more than one state, states agreed in the early days of the UI program on how to determine which state would cover such workers. These provisions of states' UI laws are called "localization of work" provisions.

COVERAGE

Historical Note: Model state legislation to put this agreement into effect was developed by the U.S. Department of Labor and incorporated into all states' UI laws in the 1940s. The government of Canada agreed to the localization of work provisions in 1947. Additional guidance was provided in the September 1950 edition of the Manual of State Employment Security Legislation. Unemployment Insurance Program Letter (UIPL) 20-04 was issued in 2004 to address additional concerns, such as telecommuting.

Localization of work provisions under state law are ordinarily applied in the following sequence. The “base of operations” is the place from which the individual starts work and to which the individual customarily returns in order to receive instructions from the employer.

- Is the individual's service localized in this state or some other state?
- If the individual's service is not localized in any state, does the individual perform some service in the state in which the base of operations is located?
- If the individual does not perform any service in the state in which the base of operations is located, does the individual perform any service in the state from which the service is directed or controlled?
- If the individual does not perform any service in the state from which the service is directed and controlled, does the individual perform any service in the state in which they live?

Election of Coverage of Services Performed Outside of the State—The laws of most states permit employers to elect coverage of workers who perform their services entirely outside the state if they are not covered by any other state or federal UI law. Of the states permitting such elections, most states require residence in the state of election.

Coverage of Services Performed Outside the United States—Prior to the 1970 FUTA amendments, employment included only services performed within the United States, with the exception of certain services performed in connection with an American vessel or aircraft. With respect to services performed after 1971, federal law also requires coverage of services performed outside the United States by an American citizen for an American employer, except when such services are performed in a contiguous country with which the United States has an agreement relating to UI (Canada).

Election of Coverage Through Reciprocal Coverage Arrangement—If none of the localization of work tests determine the state in which a worker is covered, most state laws allow the employer, all of its employees, and all states involved to sign an agreement for the services to be covered by a state. An employer may cover all the services of such a worker in any state in which any part of the service is performed, the state of residence, or the state in which the employer maintains a place of business. A few states do not participate in these arrangements.

All states have provisions for the election of coverage of services outside the state not covered elsewhere or of services allocated to the state under a reciprocal agreement.

EMPLOYMENT SPECIFICALLY EXCLUDED

State laws governing coverage generally incorporate the federal exclusions, although nothing in federal law requires them to do so. For workers excluded from coverage under federal law, states may elect to provide coverage under state law or to allow employers to voluntarily elect coverage of these workers.

Also, most state laws provide that any service taxed by FUTA is covered under state law. States may elect to not cover services that are taxed by FUTA; however, when they do, the employer is subject to the full FUTA tax for these services without benefit of any federal tax credit. See Chapter 2, *Financing*, for more information on this topic.

COVERAGE

The following table provides an overview of some of the significant exclusions from the definition of employment used by states. Insurance agents on commission are provided as a categorical exemption in FUTA. The other three categories are not explicitly excluded from coverage under FUTA, though the identified states have elected to not cover such services.

TABLE 1-5: SIGNIFICANT EXCLUSIONS FROM COVERAGE									
State	Insurance Agents on Commission	Real Estate Agents on Commission	Casual Labor Not in Course of Employer's Business	Part-Time Service for Nonprofit Organizations Exempt from Federal Income Tax ¹	State	Insurance Agents on Commission	Real Estate Agents on Commission	Casual Labor Not in Course of Employer's Business	Part-Time Service for Nonprofit Organizations Exempt from Federal Income Tax ¹
AL	X	X	X	X	AK	X	X	X	X ²
AZ	X	X	X	X	AR	X	X	X	X
CA		X	X	X	CO	X	X	X	X
CT	X	X	X	X	DE	X	X		
DC	X		X	X	FL	X	X	X	X
GA	X	X	X		HI	X	X	X	X ²
ID	X	X			IL	X	X		X
IN	X		X	X	IA		X		
KS	X	X	X	X	KY	X	X	X	X
LA	X	X	X	X	ME	X	X		X ¹
MD	X	X	X	X	MA	X	X	X	X
MI	X	X		X	MN	X ³	X ³	X	
MS	X	X	X	X	MO	X	X		
MT	X	X	X		NE	X	X	X	X
NV		X			NH	X	X	X	X
NJ	X	X			NM	X	X		
NY	X	X			NC	X	X	X	X
ND	X	X	X	X	OH	X		X	X
OK	X	X			OR	X	X	X	
PA	X	X	X		PR		X	X	
RI	X ³	X	X	X	SC	X	X	X	X
SD	X			X	TN	X	X		
TX	X	X			UT	X	X	X	X
VT	X	X	X	X	VA	X	X	X	X
VI			X		WA	X	X	X	
WV	X				WI	X	X		X
WY		X	X						

¹ All states - this exclusion is limited to remuneration of less than \$50 in any CQ, except in **AK** (less than \$250), and **ME** (less than \$150).

² **AK** and **HI** - exclusion not limited to part-time service.

³ **MN** - does not exclude such service if performed by a corporate officer; **RI** - does not exclude such service if performed for a corporation or by industrial and debit insurance agents.

COVERAGE

Service for Relatives—As provided for in federal law, all states exclude service performed for an employer by a spouse or minor child. With a few exceptions, most states also exclude service of an individual in the employ of a son or daughter.

Service by Students and Spouses of Students—FUTA excludes service performed in the employ of a school, college, or university by a student enrolled and regularly attending classes at such school. FUTA excludes service performed by a student's spouse for the school, college, or university at which the student is enrolled and regularly attending classes, provided the spouse's employment is under a program designed to give financial assistance to the student, and the spouse is advised that the employment is under such student-assistance program and is not covered by any UI program. Also excluded is service by a full-time student in a work-study program provided that the service is an integral part of the program. The following table provides additional information about states' provisions with respect to student employment.

TABLE 1-6: STUDENT EMPLOYMENT EXCLUDED FROM COVERAGE											
State	Student Nurses and Interns in Employ of a Hospital	Students Working for Schools ¹	State	Student Nurses and Interns in Employ of a Hospital	Students Working for Schools ¹	State	Student Nurses and Interns in Employ of a Hospital	Students Working for Schools ¹	State	Student Nurses and Interns in Employ of a Hospital	Students Working for Schools ¹
AL	X	X	AK	X	X ²	AZ	X	X	AR	X	X ²
CA	X	X	CO		X	CT	X	X	DE		X ²
DC	X	X ²	FL	X	X ²	GA	X	X	HI	X	X ²
ID	X	X ²	IL	X	X	IN	X	X	IA		X
KS		X ²	KY	X	X	LA	X	X ²	ME	X	X ²
MD	X	X	MA	X	X	MI		X	MN	X	X ²
MS	X	X	MO		X	MT		X	NE	X	X
NV		X	NH	X	X	NJ	X ³	X	NM		X ²
NY		X	NC		X	ND	X	X	OH	X	X ²
OK	X	X	OR	X	X	PA	X	X	PR		X ²
RI		X ²	SC	X	X	SD	X	X	TN		X
TX	X	X ²	UT	X	X	VT		X	VA	X	X ²
VI		X ²	WA		X	WV		X ²	WI	X	X
WY		X									

¹ All states exclude students in work-study programs; however, **DC** and **HI** - exclude only elementary or secondary school students.
DC - excludes services performed by a student in the employ of an organization exempt from federal income tax if the remuneration does not exceed \$50 in a CQ.

² **AK, AR, DE, DC, FL, HI, ID, KS, LA, ME, MN, NM, OH, PR, RI, TX, VA, VI, and WV** - do not exclude service by the spouse of a student in the employ of the school; all other states exclude such service.

³ **NJ** - Exclusion does not apply to service by an intern who has completed a four-year course in medical school.

Service by Patients for Hospitals—As provided for in federal law, these services may be excluded from coverage under the state law whether they are performed for a hospital operated for profit, not-for-profit, or by a state.

Service for Federal Instrumentalities—All states, except New Jersey, have provisions in their laws that permit the coverage of service performed for wholly or partially owned federal instrumentalities.

COVERAGE

Maritime Workers—FUTA permits a state to cover maritime services if the operation of an American vessel operating on navigable waters within, or within and without, the United States is ordinarily regularly supervised, managed, directed, and controlled by such state. Most state laws currently cover such services.

Historical Note: FUTA and most state laws initially excluded maritime workers, principally because it was thought that the Constitution prevented the states from covering such workers. Supreme Court decisions in *Standard Dredging Corporation v. Murphy* and *International Elevating Company v. Murphy*, 319 U.S. 306 (1943), were interpreted to mean that there is no such bar. In 1946, the current FUTA provision was added.

Voluntary Coverage of Excluded Employment—Most states allow employers to elect to cover most types of employment that are otherwise exempt under their state laws. When an employer voluntarily elects to cover these services, such individuals may use those wages to qualify for unemployment benefits.

Self-Employment—Employment, for purposes of UI coverage, is service of an employee for the person employing the individual. Therefore, it does not include self-employment.

COVERAGE OF OFFICERS OF CORPORATIONS

Under FUTA, an officer of a corporation is defined as an employee of the corporation, and wages paid to the employee are subject to the FUTA tax. However, some states have enacted exclusions from coverage (with the exception of any corporate officers for whom coverage is required under federal law) or restrictions on benefits for corporate officers. Since FUTA contains no exclusion, when states exclude these services from coverage, the employers of corporate officers are liable for the full FUTA tax on wages paid to these individuals. The following table outlines the exclusions and benefit restrictions selected by certain states.

TABLE 1-7: CORPORATE OFFICERS	
AK	Services are exempt only if the corporation is not a nonprofit or governmental entity and the employee is an executive officer of the corporation.
CA	Exempts services performed by an individual in the employ of a corporation of which the individual is the majority or controlling shareholder and an officer, if not subject to FUTA. Also exempts an officer or shareholder of an agricultural corporation unless the corporation is an employer defined under FUTA.
DE	Exempts services performed by an officer of a corporation organized and operated exclusively for social or civic purposes, provided the services performed by the officer are part-time and when the remuneration received does not exceed \$75 in any CQ.
HI	An individual will not be eligible for benefits if an owner-employee of a corporation brings about their unemployment by divesting ownership, leasing the business interest, terminating the business, or by other similar actions. Also, excludes from coverage services for a family-owned private corporation, organized for profit that employs family members who own at least 50% of the corporate shares, provided certain criteria are met.
IA	Exempts services performed by an individual in the employ of a corporation of which the individual is the majority or controlling shareholder and an officer, if not subject to FUTA.
ID	Permits exemption of corporate officers from coverage and permits reinstatement of corporate officers previously exempted. A corporate officer whose benefit claim is based on wages with a corporation in which they or a family member has an ownership interest is not “unemployed” and is ineligible for benefits in any week during their term of office with the corporation. However, the corporate officer is unemployed in any week not employed by the corporation for an indefinite period of time due to circumstances beyond their control or the control of a family member who has an ownership interest in the corporation; if at any time during the BY the corporate officer resumes, or returns to, work for the corporation, there is a rebuttable presumption that their unemployment was within their control, and all benefits paid are considered an overpayment. A corporation that is a public company may elect to exempt from coverage any corporate officer who is voluntarily elected or voluntarily appointed, is a shareholder of the corporation, exercises substantial control in the daily management of the corporation, and whose primary responsibilities do not include the performance of manual labor; a corporation that is not a public company may elect to exempt from coverage any corporate officer, without regard to their performance of manual labor, if the officer is a shareholder of the corporation, voluntarily agrees to be exempted from coverage, and exercises substantial control in the daily management of the corporation that has a class of shares registered with the Federal Securities and Exchange Commission.
MI	Limits to no more than 7 weeks benefits payable based on services performed in a family corporation in which the individual or their son, daughter, spouse, or parent owns more than 50% of the proprietary interest in the corporation.

COVERAGE

TABLE 1-7: CORPORATE OFFICERS	
MN	An individual who has been paid 4 times their WBA may not use wages paid by an employing unit if the individual (a) individually or jointly with a spouse, parent, or child owns or controls 25% or more interest in the employing unit; or (b) is the spouse, parent, or minor child of any individual who owns or controls 25% or more interest in the employing unit; and (c) is not permanently separated from employment. Also exempts officers or shareholders in a family agricultural corporation. Contracts to obtain a taxpaying employer's workforce must include coverage of corporate officers for the duration of the contract.
NJ	Excludes corporate officers and individuals with at least 5% ownership of employing business.
ND	Exempts corporate officers when ¼ or more of the ownership interest was owned or controlled by the individual's spouse, child, or parent or by any combination of them if the corporation requests exemption from coverage.
OK	Exempts services, not considered nonprofit, if the officer owns 100% of the stock.
OR	Exempts services performed by corporate officers who are directors of the corporation, who have a substantial corporate ownership interest, and who are related by family if the corporation elects not to provide coverage for the related family members.
TX	An individual will not be eligible for benefits from the date of the sale of a business and until the individual is re-employed and eligible for benefits based on the wages received through the new employment if the business was a corporation and the individual was an officer or a majority or controlling shareholder in the corporation, and was involved in the sale of the corporation; or if the business was a limited or general partnership and the individual was a limited or general partner who was involved in the sale of the partnership; or the business was a sole proprietorship and the individual was the proprietor who sold the business.
SC	Exempts service performed by an officer of a corporation. A corporation may elect, in writing, to cover its officers and must notify its officers they are ineligible for UI benefits if the corporation does not elect to provide coverage. Coverage must be provided for at least 2 calendar years and shall terminate January 1 subsequent to the 2-year period if the employer files a written application before January 15 of that year.
WA	Exempts services performed by corporate officers unless corporation elects coverage for all officers; wages for corporate officer must be less than 25% of total base year wages to be eligible for benefits. However, this exemption does not apply to corporate officers employed by nonprofit or governmental employers.
WI	The amount of BPW used to compute total benefits payable to an individual may not exceed 10 times the individual's WBA based on the individual's employment with a corporation or a limited liability company that is treated as a corporation if ½ or more of the ownership interest in the corporation or limited liability company during the employment was owned or controlled by the individual's spouse or by the individual's parent if the individual is under age 18, or by a combination of 2 or more of them; or in the case of a corporation, if ¼ or more of the ownership interest in the corporation during the employment was owned or controlled by the individual. Also, a corporate employer having taxable payrolls less than the amount used to establish separate solvency contribution rates may elect not to have the principal officers covered if the officers have a direct or indirect substantial ownership interest in the corporation.

COVERAGE REQUIRED UNDER FEDERAL LAW

As a result of amendments to FUTA made in 1970, 1976, and 2000, certain services performed for nonprofit organizations, state and local government entities, and federally-recognized Indian tribes must be covered as a condition for approval of the state's law allowing all employers in the state to receive credits against the FUTA tax. Normally, if a state excludes services that are taxed under the FUTA, the employers providing such services must pay the full FUTA tax. However, because nonprofit organizations, state and local government entities, and federally-recognized Indian tribes are generally not subject to FUTA tax, these amendments to FUTA ensure that such services are covered under state UI law. Failure to provide this "required coverage" negatively impacts all employers in a state.

Under the "required coverage" provisions, states are required to pay UI benefits based on services performed for nonprofit organizations, state and local government entities, and federally-recognized Indian tribes in the same amounts and under the same terms and conditions as for services covered under state law. There are, however, special provisions applicable to school personnel (For more information, see Chapter 5, *Nonmonetary Eligibility*).

COVERAGE

Federal law permits states to exclude from this required coverage all of the exclusions from employment available for private employers. Moreover, additional exclusions are available for nonprofit organizations, state and local government entities, and federally-recognized Indian tribes. These include services performed:

- by an individual receiving rehabilitation help in a facility that carries out programs for individuals whose earning capacity is impaired by age, physical or mental deficiency, or injury;
- as part of an unemployment work-relief or work-training program financed partially or completely by a governmental entity; or
- by an inmate of a custodial or penal institution.

Other exclusions are listed in the following sections relating to nonprofit organizations and state and local government entities.

State law is also required to give nonprofit organizations, state and local government entities, and federally-recognized Indian tribes a choice concerning benefit financing. They can pay taxes as employers do or they can reimburse UI benefits paid that are attributable to services performed for them. (For more information, see Chapter 2, *Financing*).

NONPROFIT ORGANIZATIONS—State coverage is required for services performed for religious, charitable, or educational nonprofit organizations, but only when such organizations employ four or more workers over 20 weeks during a specific year. These organizations are described in section 501(c)(3) of the Federal Internal Revenue Code of 1986, and are exempt from federal income tax under section 501(a) of the Code. The following table lists the states that have expanded their coverage provisions beyond federal requirements.

Table 1-8: STATES COVERING ORGANIZATIONS WITH ONE OR MORE EMPLOYEES					
Arkansas	California	Connecticut	District of Columbia	Hawaii	Idaho
Iowa	Maryland	Massachusetts	Michigan	Minnesota	Montana
New Hampshire	New Jersey	New Mexico	Oregon	Pennsylvania	Puerto Rico
Rhode Island	Virgin Islands	Washington			

Additional Exclusions for Nonprofit Organizations—Federal law permits states to exclude, from required coverage, services performed by a minister in the exercise of ministerial duties or services performed in the employ of:

- a church, convention, or association of churches;
- an organization operated primarily for religious purposes, which is operated, supervised, controlled, or principally supported by a church, convention, or association of churches; or
- an elementary or secondary school operated primarily for religious purposes, regardless of affiliation with a church, convention, or association of churches.

GOVERNMENTAL ENTITIES—Federal law requires states to cover most services for the state and its political subdivisions. When service is performed for an instrumentality owned by more than one state or political subdivision, coverage is determined based on the location of the work.

COVERAGE

Additional Exclusions for Governmental Entities—Since federal law includes no size-of-firm restrictions for governmental entities, as it does for nonprofit organizations, generally all services for governmental entities must be covered. There are, however, certain types of services federal law permits states to exclude from governmental coverage. These include service performed:

- as an elected official;
- as a member of a legislative body or a member of the judiciary;
- as a member of the state National Guard or Air National Guard;
- as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or similar declared emergency; or
- in a position which, under the state law, is designated as a major, non-tenured, policymaking or advisory position, or a part-time policymaking position which ordinarily requires eight or fewer hours a week.

Most states have opted to exclude all types of services mentioned previously. For states that do not exclude all of the aforementioned types of services, the following table shows which services are excluded under state law.

TABLE 1-9: STATE AND LOCAL GOVERNMENTS - SERVICE EXCLUDED FROM COVERAGE					
State	Elected Officials	Legislators and Members of Judiciary	Members of State National Guard and Air National Guard	Temporary Emergency Employees	Policymaking and Advisory Positions
AK	X	X	X	X	
AR	X	X	X		X
FL	X	X		X	X
GA	X	X	X		X
MT	X				
NE	X	X	X	X	
NV			X		
WA	X		X		X

INDIAN TRIBES—Amendments to FUTA made in 2000 added federally-recognized Indian tribes to the set of entities for whom coverage is required although they are not liable for FUTA taxes. As a result, workers performing services for tribes are now potentially eligible to receive UI benefits. The same permissible exclusions from coverage applicable to other governmental entities also apply to services performed for Indian tribes. If an Indian tribe fails to make payments to states as required, it loses its FUTA tax exemption and may lose coverage.

UNEMPLOYMENT COMPENSATION FOR FEDERAL CIVILIAN EMPLOYEES AND FOR EX-SERVICEMEMBERS

Two federal UI programs – one for federal civilian employees and the other for ex-servicemembers are provided by federal law (5 U.S.C. 8501 et seq.). Under agreements entered into between the Secretary of Labor and the state UI agencies, the federal programs of unemployment compensation for federal civilian employees and for ex-servicemembers are administered by the state agencies as agents of the United States government. Federal civilian and military wages are assigned to the appropriate state agency in accordance with federal law.

COVERAGE

UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES (UCFE)—An unemployed federal civilian worker’s eligibility is determined under the UI law of the state where:

- the worker’s official duty station was located for the most recent federal civilian employment;
- there was subsequent private covered employment in the state in which the covered federal employment was performed; or
- the worker resides when filing the claim if the last official duty station was outside the United States.

States determine UCFE eligibility under the same terms and conditions as those applied to services covered under state law.

UNEMPLOYMENT COMPENSATION FOR EX-SERVICEMEMBERS (UCX)—States must follow guidance from the U.S. Department of Labor in operating the program, including the use of the annual Federal Schedule of Remuneration, to determine UCX benefit eligibility.

In general, ex-servicemembers must be honorably discharged and have completed their first full term of service to qualify for UCX. However, ex-servicemembers who did not complete their first full term of service, were separated under honorable conditions, and were separated for certain “acceptable narrative reasons” may also qualify for UCX. Some “acceptable narrative reasons” for separation require 365 days of service to be applicable. Narrative reasons for separation are found in Block 28 of the DD Form 214, Certificate of Release or Discharge from Active Duty. A consolidated list of acceptable narrative reasons for separation from the military for UCX claim purposes is attached to UIPL No. 30-20; (this list applies to separations that occurred after September 24, 2020). For separations that occurred on or before September 24, 2020, the consolidated list of acceptable narrative reasons that apply are located in an attachment to UIPL No. 09-10.

Members of the National Guard and Reserves must have 180 days of continuous active service and be separated under honorable conditions to qualify for UCX benefits.

CHAPTER 2

FINANCING

IN GENERAL

Employers are required to pay a federal unemployment tax and a state unemployment tax (*i.e.*, contributions). The assessment of federal unemployment tax is governed by the Federal Unemployment Tax Act (FUTA). If state law meets minimum federal requirements under FUTA and Title III of the Social Security Act (SSA), employers may receive up to a 90 percent credit against their federal unemployment tax liability. This chapter discusses the federal unemployment tax and details several provisions related to state unemployment tax laws.

THE FEDERAL UNEMPLOYMENT TAX AND THE UNEMPLOYMENT TRUST FUND (UTF)

AMOUNT OF TAX—Under the provisions of FUTA, a federal unemployment tax is levied on covered employers at a rate of 6.0 percent on wages up to \$7,000 per calendar year paid to a worker in covered employment (*i.e.*, the taxable wage base). FUTA also provides credits against federal unemployment tax liability of up to 5.4 percent to employers who pay state taxes timely under an approved state Unemployment Insurance (UI) program. These credits are available regardless of the amount of the tax paid to the state by the employer. Accordingly, in states meeting the specified requirements, employers pay an effective federal unemployment tax of 0.6 percent, or a maximum of \$42 per covered worker, per year. The federal unemployment tax is not levied on workers.

Historical Note: At the beginning of the UI program, the federal unemployment tax was 1.0 percent of the total wages of a worker. By 1940 it had increased to 3.0 percent on wages up to \$3,000. Since then, the rate has increased several times, with some increases occurring on a temporary basis. In 1985, the federal unemployment tax reached 6.2 percent on taxable wages. On July 1, 2011, the federal unemployment tax was reduced to 6.0 percent, where it stands today. The taxable wage base increased to \$4,200 in 1972, \$6,000 in 1978, and \$7,000 in 1983, where it stands today.

The credits against the federal unemployment tax may be reduced if the state has an outstanding advance (commonly called a “loan”) from the federal government under Title XII of the SSA. A state may obtain a loan from the federal government when the state lacks the funds to pay UI benefits. To ensure that these advances are repaid, federal law provides that when a state has an outstanding advance balance on January 1 of two consecutive years, the full amount of the advance must be repaid before November 10 of the second year or the credit available to employers will be reduced. The amount of the reduction increases annually until the advance is repaid unless certain conditions are met. Federal law provides for certain limits and exceptions to this credit reduction.

Interest is charged on all advances made on or after April 1, 1982, except in the case of cash flow loans (*i.e.*, advances obtained from January through September and repaid by September 30 of the same calendar year) or temporary provisions providing for the waiver of interest included in federal law. The interest rate is the lesser of 10 percent or the rate of interest paid on the state reserve balance in the UTF for the last quarter of the preceding calendar year. A state may not pay interest from the state’s unemployment fund.

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USE OF FEDERAL REVENUES—The federal unemployment tax funds the following costs:

- federal and state administrative costs for the UI program;
- federal share of benefits paid under the Federal-State Extended Unemployment Compensation Act of 1970 (For more information see Chapter 4 *Extensions and Special Programs*);
- the fund from which an individual state may obtain repayable advances (or “loans”) whenever the state’s trust fund lacks funds to pay unemployment compensation (UC); and
- labor exchange services under the Wagner-Peyser Act, employment and training services for veterans and disabled veterans, and some labor market information program activities.

THE UNEMPLOYMENT TRUST FUND (UTF)—The UTF in the U.S. Treasury consists of 59 accounts. All federal unemployment taxes are deposited into the Employment Security Administration Account (ESAA) and amounts equal to one-tenth of net monthly collections are automatically transferred to the Extended Unemployment Compensation Account (EUCA). State unemployment taxes are deposited directly into the respective state’s account in the UTF. Appendix IV provides a flowchart of how money flows into and out of the UTF and the following funds.

- **State Unemployment Accounts.** Each state (defined as the 50 states, District of Columbia, Puerto Rico, and the U.S. Virgin Islands) has an account that consists of the contributions and reimbursements collected by each state; interest earned on these amounts is credited to each state’s account. Funds are withdrawn from state accounts primarily for the payment of benefits and refunds of contributions erroneously paid.
- **The Employment Security Administration Account (ESAA).** Each year, Congress appropriates from this account the funds necessary for administering the federal-state UI program, labor exchange services under the Wagner-Peyser Act, employment and training services for veterans and disabled veterans, and some labor market information program activities.
- **The Extended Unemployment Compensation Account (EUCA).** Funds from this account reimburse states for the federal share of extended benefits (For more information see Chapter 4 *Extensions and Special Programs*). This fund is also used at times to cover the cost of temporary extensions.
- **The Federal Unemployment Account (FUA).** This fund provides states with repayable advances for paying UC.
- **The Federal Employees Compensation Account (FECA).** This fund finances benefit payments to former federal employees and former members of the armed forces. See Chapter 1 *Coverage* for more information on these programs.
- **Railroad Accounts.** The fund also includes two accounts related to the Railroad Retirement Board, the benefits from which are not administered by state UI agencies.

On September 30 of each year, the net balance in the ESAA is determined. If the amount in this account exceeds 40 percent of the prior year’s appropriation by Congress, then an “excess” exists. This excess is transferred to the EUCA and/or the FUA as provided by federal law unless the balance of each of these accounts exceeds its statutory ceiling. The net balances of the EUCA and the FUA are also determined on September 30 of each year. The statutory ceiling in federal law for both the EUCA and the FUA is equal to 0.5 percent of the total wages subject to contributions under state UC laws for the calendar year ending during the fiscal year for

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which the excess is determined. Excess balances are transferred between these accounts or to the ESAA as required by federal law. If all three accounts are at their statutory limits, the excess amounts are distributed to

the state accounts in the UTF in amounts equal to each state's covered payrolls compared to the aggregate covered payrolls of all states. These are commonly called "Reed Act" distributions and are governed by section 903, SSA.

Technical Note: The SSA provides that the maximum balance in the EUCA is the *greater* of \$750 million or 0.5 percent of total wages in covered employment. Due to the growth in covered employment, the \$750 million figure is effectively obsolete. A similar provision relating to the FUA (\$550 million) is also effectively obsolete.

Most states' UI laws contain permanent provisions regarding the use of funds transferred under section 903, SSA. These provisions usually mirror the requirements of federal law pertaining to "traditional" Reed Act distributions, including a provision that the funds be used for the payment of UC unless appropriated by the legislative body of the state for the administration of the state's UI law or the state's system of public employment offices.

STATE UNEMPLOYMENT FUNDS

Each state's unemployment fund is comprised of the state's account in the UTF, as discussed above, and two other accounts that are outside of the UTF. These two accounts are the state's clearing account and the benefit payment account. When an employer pays its state tax, the funds are initially deposited into the clearing account and then transferred to the state's account in the UTF where the funds remain until needed to pay benefits. Benefits are paid from the state's benefit payment account using funds that are drawn down from the state's account in the UTF. See Appendix IV.

STATE UNEMPLOYMENT TAXES/CONTRIBUTIONS AND OTHER STATE REVENUES

To enable employers to obtain credit against the federal tax, all states finance the costs of UI benefits by imposing payroll taxes, commonly called "contributions," on employers. In addition, three states require employee contributions under certain conditions; these states are discussed in more detail below under "Employee Contributions."

Federal law requires that state and local governmental entities, certain nonprofit organizations, and federally recognized Indian tribes be given the option of making "payments in lieu of contributions" (commonly called "reimbursements"); these are discussed in more detail below under "The Reimbursement Option."

EMPLOYER CONTRIBUTIONS—Across all states, the amount of contributions an employer pays depends on the number of employees, the state's taxable wage base, and the contribution rate assigned to the employer. State laws provide for assignment of a maximum contribution rate of 5.4 percent or higher to enable employers to receive the maximum credit of 5.4 percent against the federal tax.

In all states, an employer pays a contribution rate based on its "experience" within the UI system, typically referred to as "experience rating." See the section on "Experience Rating" for more information. In some states, additional contributions are required when fund levels drop to specified points or to restore amounts expended for noncharged or ineffectively charged benefits. Noncharged benefits are those benefit costs charged to a general account rather than to an individual employer account (see Table 2-9, Benefits Excluded from Charging, for some examples). Ineffectively charged benefits include those benefit costs charged to inactive

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and terminated accounts, and those charged to an employer's experience rating account after the previously charged benefits to the account were sufficient to qualify the employer for the maximum contribution rate.

In some states, the state UI agency collects additional non-UI taxes imposed on the employer's payroll. Although the revenues from these additional taxes are not deposited into the state's unemployment fund, they sometimes serve UI-related or employment and training purposes. Taxes that are collected but not paid into the state's unemployment fund are listed later in this chapter under the heading "Additional Taxes."

In every state, an employer who has erroneously calculated its tax burden and overpaid contributions, based on the law in effect at the time of the overpayment, is entitled to a refund. These refunds may be made within time limits ranging from one to six years; in a few states no limit is specified.

EMPLOYEE CONTRIBUTIONS—Alaska, New Jersey, and Pennsylvania require payment of UI taxes by workers. The taxable wage base (see Table 2-1, Taxable Wage Bases) is the same that is applicable to employers, except in Pennsylvania, where employee contributions are calculated on total gross covered wages earned in employment. Employee contributions are deducted by the employer from the employee's pay and forwarded with the employer's taxes to the state agency. In Alaska, the employee contribution rate is equal to 27 percent of the average benefit cost rate, but not less than 0.5 percent nor more than 1.0 percent. In New Jersey, the employee contribution rate is 0.425 percent. Depending on the adequacy of the fund balance in a given year, Pennsylvania employees pay contributions ranging from 0.0 percent to 0.08 percent of total gross covered wages earned in employment.

PENALTY AND INTEREST FUNDS—In every state an employer is subject to certain interest or penalty payments for delay or default in payment of contributions, and may incur penalties for filing late (delinquent) or failing to file required reports. Many states have set up special administrative funds (*i.e.*, penalty and interest funds), made up of such interest and penalties, to meet special needs. Additionally, federal law requires a mandatory penalty assessment for fraudulent benefit claims of not less than 15 percent of the erroneous payment (see Table 6-3, Treatment of Fraud). The first 15 percent of these benefit penalty assessments collected must be deposited into the state's account in the UTF. Any penalty imposed beyond 15 percent is, once collected, generally deposited into the state's penalty and interest fund.

The use of these funds is governed by state law. However, if these funds are used for non-UI purposes, the state must develop a cost allocation plan to cover the costs of assessing and collecting the penalty and interest. The most usual statement of purpose includes covering one or more of these three items:

- expenditures for which federal funds have been requested but not yet received, subject to repayment to the fund;
- costs of administration found not to be properly chargeable against funds obtained from federal sources; or
- reimbursement for funds lost or improperly expended for purposes other than, or in amounts in excess of, those found necessary for proper administration of the UI program.

A few states provide for the use of such funds for purchasing land and buildings for agency use, or for the payment of interest on federal advances. In some states, the fund is capped; when it exceeds a specified sum, the excess is transferred to the unemployment fund or, in one state, to the general fund.

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TAXABLE WAGES—Almost all states have adopted a higher taxable wage base than that applicable under FUTA (\$7,000) for purposes of assessing state unemployment taxes. In these states, an employer pays a tax on wages paid to (or earned by) each worker within a calendar year up to the specified amount. Most states, though not all states, include only remuneration that is subject to FUTA when assessing the taxable wage base. In addition, most of the states provide an automatic adjustment of the wage base if FUTA is amended to apply to a higher taxable wage base than that specified under state law.

TABLE 2-1: TAXABLE WAGE BASES					
State	Taxable Wage Base	State	Taxable Wage Base	State	Taxable Wage Base
AL	\$8,000	AK*	\$47,100	AZ	\$8,000
AR*	\$7,000	CO	\$20,400	CT	\$15,000
DE*	\$10,500	DC	\$9,000	FL	\$7,000 ¹
GA	\$9,500	HI*	\$56,700	ID*	\$49,900
IL*	\$13,271	IN	\$9,500	IA*	\$36,100
KS	\$14,000	KY	\$11,100	LA*	\$7,700
ME	\$12,000	MD	\$8,500	MA	\$15,000
MI	\$9,500	MN*	\$40,000	MS	\$14,000
MO*	\$10,500	MT*	\$40,500	NE	\$9,000 ²
NV*	\$40,100	NH	\$14,000	NJ*	\$41,100
NM*	\$30,100	NY	\$12,300	NC*	\$29,600
ND*	\$40,800	OH	\$9,000	OK*	\$25,700
OR*	\$50,900	PA	\$10,000	PR	\$7,000 ³
RI*	\$28,200 ⁴	SC	\$14,000	SD	\$15,000
TN*	\$7,000	TX	\$9,000	UT*	\$44,800
VT*	\$13,500	VA	\$8,000	VI*	\$30,200
WA*	\$67,600	WV*	\$9,000	WI	\$14,000
WY*	\$29,100				
NOTE: California is not included in this table because they have neither a taxable wage base above \$7,000 nor a provision in their law that automatically adjusts the taxable wage base if FUTA is amended to apply to a higher amount than that specified under state law.					
¹ Taxable wage base is \$7,000 but increases to \$8,000 in any year that principal is due on Title XII advances.					
² \$24,000 for maximum experience rated employers.					
³ Increase up to \$10,500 at Secretary’s discretion.					
⁴ Two-tier UI taxable wage base. Tier I sets the state’s UI taxable wage base at 46.5% of the statewide average annual wage for most employers. Tier II impacts only employers in the highest tax group, and sets the taxable wage base \$1,500 higher than the wage base for employers in lower tax groups.					
* Flexible taxable wage base, see following table for additional information.					

As reflected in the following table, some states have established flexible taxable wage bases that are automatically adjusted, generally on an annual basis. Most of these states index the taxable wage base to the states' average annual wage. Other states tie the taxable wage base to the health of the states' trust fund balances.

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TABLE 2-2: COMPUTATION OF FLEXIBLE TAXABLE WAGE BASES						
State	Indexed Taxable Wage Base					Variable Taxable Wage Base Based on Trust Fund Balance
	Computed As		Period of Time Used			
	% of State Average Annual Wage	Other	Preceding CY	12 Months Ending June 30	Second Preceding CY	
AK	75 rounded to nearest \$100			X		
AR						X
DE						X
HI	100 rounded to nearest \$100			X		
ID	100 rounded to nearest \$100				X	
IL						X
IA		66⅔ % of the state AWW, multiplied by 52 rounded to the higher \$100, or the federal taxable wage base	X			
LA						X
MN	60 rounded to nearest \$1,000		X			
MO						X
MT	80 rounded to nearest \$100		X			
NV	66⅔ rounded to nearest \$100		X			
NJ		28 x state AWW rounded to higher \$100			X	
NM	60 rounded to higher \$100			X		
NC	50 rounded to nearest \$100		X			
ND	70 rounded to nearest \$100			X		
OK	40-50 (dependent upon the condition factor in place) rounded to nearest \$100				X	
OR	80 rounded to nearest \$100				X	
RI	46½ rounded to higher even multiple of \$200		X			
TN						X
UT		75% of the prior average fiscal year wage rounded to the higher \$100		X		

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TABLE 2-2: COMPUTATION OF FLEXIBLE TAXABLE WAGE BASES						
State	Indexed Taxable Wage Base					Variable Taxable Wage Base Based on Trust Fund Balance
	Computed As		Period of Time Used			
	% of State Average Annual Wage	Other	Preceding CY	12 Months Ending June 30	Second Preceding CY	
VT		When trust fund has positive balance, TWB increases by same percentage as the increase in the state's AAW				
VI	60 rounded to higher \$100			X		
WA		115% of previous year's taxable wage base rounded to the lower \$100, but not to exceed 80% of AAW for the 2nd preceding CY rounded to the lower \$100	X			
WV						X
WY	55 rounded to lower \$100		X			

EXPERIENCE RATING

Federal law requires that states use a system of experience rating by which individual employers' contribution rates vary on the basis of their "experience" with the risk of unemployment. Experience rating systems are designed to encourage employers to stabilize employment, equitably allocate the costs of unemployment, and participate in the system by providing eligibility information.

Note: In response to the COVID-19 pandemic, Congress enacted the Families First Coronavirus Response Act (FFCRA), Pub. L. 116-127, permitting states to temporarily and only on an emergency basis modify certain UC requirements including experience rating. Most states passed laws providing that tax rates would be based on the experience of the employer calculated without using the years during the pandemic. In tandem, most states also noncharged employers where the claim was found to have been caused by the pandemic.

FEDERAL REQUIREMENTS FOR EXPERIENCE RATING—Federal law provides for a credit against federal unemployment tax liability if the state rates are based on not less than three years of "experience with respect to unemployment or other factors bearing a direct relation to unemployment risk."

Federal law provides that a new or newly covered employer may be assigned a reduced rate (not less than 1.0 percent) on any reasonable basis other than the workers' risk of unemployment, until they qualify for a computed rate based on experience in accordance with state law. New and newly covered employers may receive an experience rated tax rate after they have had at least one year of such experience.

STATE REQUIREMENTS FOR EXPERIENCE RATING—In most states, experience with unemployment means more than three years of coverage and contributions. Factors affecting the time required to become a "qualified" employer include:

- coverage provisions of the state law (see Chapter 1 *Coverage* for more information);

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- in states using benefits or benefit derivatives in the experience rating formula, the type of base period and benefit year, and the lag between these two periods, which determine how soon a new employer may be charged for benefits;
- type of formula used for rate determination; and
- length of the period between the date as of which rate computations are made and the effective date for rates.

Historical Note: The first state UI system in this country (Wisconsin) set up a separate reserve for each employer. Employer contributions were credited to this reserve and benefits paid to former employees were charged to it as long as the account had a credit balance. Subsequently, most states enacted “pooled-fund” laws on the theory that the risk of unemployment should be spread among all employers and that workers should receive benefits regardless of the balance of the contributions paid by the individual employer and the benefits paid to such workers. All states now have pooled unemployment funds.

EXPERIENCE RATING FORMULAS—The factor used to measure experience with unemployment is the basic variable that makes it possible to establish the relative incidence of unemployment among the workers of different employers. At present there are four distinct systems, usually identified as reserve-ratio, benefit-ratio, benefit-wage-ratio, and payroll variation formulas. A few states have combinations of the systems.

There are common characteristics across all systems. For example, all have factors for measuring each employer’s experience with unemployment or benefit expenditures, and all compare this experience with a measure of exposure (usually payrolls) to establish the relative experience of large and small employers. However, the four systems differ greatly in the construction of the formulas. For example, there are differences in the factors used to measure experience and the methods of measurement; in the number of years over which the experience is recorded; in the presence or absence of other factors; and in the relative weight given the various factors in the final assignment of rates.

RESERVE-RATIO FORMULA—The reserve-ratio [(contributions minus benefits charged) divided by payroll] was the earliest of the experience rating formulas and continues to be the most popular. The system is essentially cost accounting. On each employer’s record are entered the amount of payroll, contributions, and the benefits paid to workers. The benefits are subtracted from the contributions, and the resulting balance is divided by the payroll to determine the size of the balance in terms of the potential liability for benefits. The balance carried forward each year under the reserve-ratio plan is ordinarily the difference between the employer’s total contributions and the total benefits received by workers since the employer became subject to the state’s UI law.

Rates are assigned according to a schedule for specified ranges of reserve-ratios; the higher the ratio, the lower the rate. Also, fluctuations in the state fund balance can affect the rate an employer will pay; an increase in the fund may trigger a tax rate schedule in which a lower rate is assigned and, conversely, a decrease in the fund balance may trigger a tax schedule requiring a higher rate.

TABLE 2-3: RESERVE-RATIO FORMULA STATES

State	Years of Benefits and Contributions Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date, Unless Noted)	State	Years of Benefits and Contributions Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date, Unless Noted)
AZ	All past years	Average of 3 years, ending 6 months before computation date	AR	All past years	Average last 3 or 5 years, whichever is lower ¹
CA	All past years	Average of 3 years, ending 6 months before computation date	CO	All past years	Average 3 years

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TABLE 2-3: RESERVE-RATIO FORMULA STATES

State	Years of Benefits and Contributions Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date, Unless Noted)	State	Years of Benefits and Contributions Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date, Unless Noted)
DC	All since July 1, 1939	Average of 3 years, ending 3 months before computation date	GA	All past years	Average 3 years
HI	All past years	Average 3 years	ID	All since Jan. 1, 1940	Average 4 years
IN	All past years	Aggregate 3 years	KS	All past years	Average 3 years
KY	All past years	Aggregate 3 years	LA	All since Oct. 1, 1941	Average 3 years
ME	All past years	Average 3 years	MA	All past years	Average 3 years
MO	All past years	Average 3 years	MT	All years since Oct. 1, 1981	Average 3 years
NE	All past years	Average 4 years	NV	All past years	Average 3 years
NH	All past years; last 5 years under specified conditions	Average 3 years	NJ	All past years	Average last 3 or 5 years, whichever is higher
NY	All past years	Average of 5 years, ending 3 months before computation date	NC	All past years	Aggregate 3 years
ND	Last 6 years	Average 3 years	OH	All past years	Average 3 years
PR	Last 3 years	Last 3 years	RI	All since October 1, 1958	Average 3 years
SD	All past years	Aggregate 3 years	TN	All past years	Average 3 years
VI ²	Last 3 years	Last 3 years	WV	All past years	Average 3 years
WI	All past years	Last year			

¹ Experience rated employers may elect to be rated on the basis of total taxable wages paid during the preceding CY.
² Transitioning to a payroll variation plan.

BENEFIT-RATIO FORMULA—The benefit-ratio formula (benefits charged divided by employer's payroll) also uses benefits as the measure of experience but eliminates contributions from the formula and relates benefits directly to payrolls. The theory is that if each employer pays a rate that approximates their benefit-ratio, the program will be adequately financed. Rates are further varied by the inclusion in the formulas of schedules (effective at specified levels of the state fund in terms of dollar amounts), proportion of payrolls, or fund adequacy percentage.

Unlike the reserve-ratio, the benefit-ratio system is geared to short-term experience. The following table shows the number of years used for each state in determining benefit-ratios.

TABLE 2-4: BENEFIT-RATIO FORMULA STATES

State	Years of Benefits Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date, Unless Noted)	State	Years of Benefits Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date, Unless Noted)
AL	Last 3 fiscal years	Last 3 fiscal years	CT	Last 3 years	Last 3 years, ending 6 months before computation date
FL	Last 3 years	Last 3 years, ending June 30th	IL	Last 3 years	Last 3 years
IA	Last 5 years	Last 5 years	MD	Last 3 years	Last 3 years
MI ¹	Last 3 years	Last 3 years	MN	Last 4 years	Last 4 years

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TABLE 2-4: BENEFIT-RATIO FORMULA STATES

State	Years of Benefits Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date, Unless Noted)	State	Years of Benefits Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date, Unless Noted)
MS	Last 3 years	Last 3 years	NM	Last 3 years	Last 3 years
OR	Last 3 years	Last 3 years	PA ¹	All past years	Average 3 years
SC	Last 3 years	Last 3 years	TX	Last 3 years	Last 3 years
UT	Last 4 fiscal years; if at least 4 fiscal years not available, will use the number of complete fiscal years available.	Last 4 fiscal years; if at least 4 fiscal years not available, will use the number of complete fiscal years available.	VT	Last 3 years	Last 3 years
VA	Last 4 years	Last 4 years	WA	Last 4 years	Last 4 years
WY	Last 3 years	Last 3 years			

¹ Benefit-ratio predominates. State also has a reserve-ratio component.

BENEFIT-WAGE-RATIO FORMULA—The benefit-wage-ratio formula is significantly different from the other formulas. It makes no attempt to measure all benefits paid to the workers of individual employers. The relative experience of employers is measured by the separations of workers which result in benefit payments, but the duration of their benefits is not a factor. The separations, weighted with the wages earned by the workers with each base period employer, are recorded on each employer's experience rating record as "benefit wages." Only one separation per beneficiary per benefit year is recorded for any one employer. The index which is used to establish the relative experience of employers is the proportion of each employer's payroll which is paid to those workers who become unemployed and receive benefits (*i.e.*, the ratio of an employer's benefit wages to total taxable wages).

The ratio of total benefit payments and total benefit wages, known as the state experience factor, means that, on average, the workers who drew benefits received a certain amount of benefits for each dollar of benefit wages paid and the same amount of taxes per dollar of benefit wages is needed to replenish the fund. The total amount to be raised is distributed among employers in accordance with their benefit-wage-ratios; the higher the ratio, the higher the rate.

Individual employer rates are determined by multiplying the employer's experience factor by the state experience factor. The multiplication is facilitated by a table, which assigns rates that are the same as, or slightly more than, the product of the employer's benefit-wage-ratio and the state factor.

TABLE 2-5: BENEFIT-WAGE-RATIO FORMULA STATES

State	Years of Benefits Used	Years of Payrolls Used (Years Immediately Preceding or Ending on Computation Date)
DE	Last 3 years	Last 3 years
OK	Last 3 years	Last 3 years

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PAYROLL VARIATION PLAN—The payroll variation plan is independent of benefit payments to individual workers. Neither benefit payments nor any benefit derivatives are used to measure unemployment under this formula. Experience with unemployment is measured by the decline in an employer’s payroll from quarter to quarter. The declines are expressed as a percentage of payrolls in the preceding period, so that experience of employers with large and small payrolls may be compared. If the payroll shows no decrease or only a small percentage decrease over a given period, the employer will be eligible for the largest proportional reductions.

Currently only one state, Alaska, uses the payroll variation plan for experience rating. Alaska measures the stability of payrolls from quarter to quarter over a three-year period; the changes reflect changes in general business activity and also seasonal or irregular declines in employment. Also, Alaska arrays employers according to their average quarterly decline quotients and groups them on the basis of cumulative payrolls in 20 rate classes plus a 21st class (the penalty rate).

CHARGING METHODS

Another consideration for state experience rating provisions is how a state allocates benefit charges across a worker’s employment history. States use various methods to identify the employer(s) who will be charged for benefits paid when a worker becomes unemployed and receives benefits. In the reserve-ratio and benefit-ratio states, it is the worker’s benefit payments that are charged; in the benefit-wage-ratio states, the benefit wages. There is no charging of benefits in states using the payroll variation plan.

In most states, the maximum amount of benefits to be charged for a claim is the maximum amount for which a worker is eligible under the state law (see Table 3-11, Maximum Benefit Entitlement). In states with benefit-wage-ratio formulas, the maximum amount of benefit wages charged is usually the amount of wages required for maximum annual benefits.

CHARGING MOST RECENT OR PRINCIPAL EMPLOYER—Some states charge the most recent employer (*i.e.*, last employer) or the employer with the largest proportion of base period wages (*i.e.*, principal employer) on the theory that this employer is responsible for the unemployment, if that unemployment is involuntary on the part of the worker. The following table shows states that charge the most recent employer or the principal employer. As noted, some states will not charge an employer if only casual or short time employment is involved.

TABLE 2-6: STATES THAT CHARGE MOST RECENT OR PRINCIPAL EMPLOYER			
State	Employer Specified	State	Employer Specified
GA	Most recent employer	ID	Employer who paid largest amount of BPW
IL	Most recent employer; charges omitted for employers who employed individual less than 30 days, except if the earnings from the employer allow the individual to requalify following a disqualification	KY	Most recent employer; charges omitted for employers who employed individual less than 10 weeks
ME	Most recent employer for more than 5 consecutive weeks; charges omitted for employers for whom individual worked 5 consecutive weeks or less	MI	Most recent employer charged for first 2 weeks of benefits; Thereafter, BP employers charged proportionately (with respect to wages)
NV	Employer who paid 75% of an individual’s BPW, except if a reimbursing employer is liable	NH	Most recent employer; charges omitted for employers who paid individual less than 12 consecutive weeks; benefits paid following disqualifications for voluntary quit, discharge for misconduct, and refusal of suitable work will be charged to the employer’s account who furnished the employment
NY	Most recent employer charged 7 x individual’s WBA; thereafter, BP employers charged proportionately (with respect to wages)	PR	Most recent employer charged 50% of benefits paid and the remaining 50% charged proportionately to all BP employers

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TABLE 2-6: STATES THAT CHARGE MOST RECENT OR PRINCIPAL EMPLOYER

State	Employer Specified	State	Employer Specified
RI	Most recent BP employer	SC	Most recent employer; charges omitted for employers who employed individual less than 8 x WBA
VA	Most recent employer; charges omitted for employers who employed individual less than 30 days or 240 hours		

CHARGING BASE-PERIOD EMPLOYERS IN INVERSE CHRONOLOGICAL ORDER—Some states limit charges to base-period employers but charge them in inverse order of employment. This method combines the theory of charging the most recent employer and the theory that charges should bear some relation to the amount of wages earned by the worker. Responsibility for the unemployment of a claimant is assumed to lessen with time. A maximum limit is placed on the amount that may be charged any one employer; when the limit is reached, the next previous employer is charged. The limit is usually fixed as a fraction of the wages paid by the employer or as a specified amount in the base period or in the quarter, or as a combination of the two. Usually, the limit is the same as the limit on the duration of benefits in terms of quarterly or base-period wages.

If a worker's period of unemployment is short, or if the last employer in the base period employed the individual for a considerable part of the base period, charging employers in inverse chronological order gives the same results as charging the last employer in the base period. If a worker's period of unemployment is long, such charging gives much the same results as charging all base-period employers proportionately.

All the states that provide for charging in inverse order of employment have determined, by regulation, the order of charging in case of simultaneous employment by two or more employers.

TABLE 2-7: STATES THAT CHARGE BASE-PERIOD EMPLOYERS IN INVERSE CHRONOLOGICAL ORDER

State	Inverse Order of Employment up to Amount Specified	State	Inverse Order of Employment up to Amount Specified
CO	$\frac{1}{2}$ wages up to $\frac{1}{2}$ of 26 x current WBA	IA	In proportion to BPW
MA	36% of BPW	NE	$\frac{1}{3}$ BPW
SD	In proportion to BPW; charges omitted for employers who paid worker less than \$100		

CHARGING IN PROPORTION TO BASE-PERIOD WAGES—On the theory that unemployment results from general conditions of the labor market more than from a given employer's separations, the largest number of states charge benefits against all base-period employers in proportion to the wages earned by the worker with each employer. Their charging methods assume that liability for benefits is inherent in the wage payments creating the worker's eligibility. States combining this method with charging the most recent employer are listed in Table 2-6, States that Charge Most Recent or Principal Employer.

TABLE 2-8: STATES THAT CHARGE IN PROPORTION TO BASE-PERIOD WAGES

State	Details	State	Details
AL	X	AZ	X
AR	X	CA	X
CT	Charges omitted for employers who paid individual less than \$500	DE	X
DC	X	FL	Charges omitted for employers who paid worker less than \$100

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TABLE 2-8: STATES THAT CHARGE IN PROPORTION TO BASE-PERIOD WAGES

State	Details	State	Details
HI	X	IN	Law also provides for charges to BP employers in inverse order
KS	X	LA	X
MD	Principal employer will be charged for shut-downs for convenience; employers participating in shared work will bear all charges	MN	X
MS	X	MO	Charges omitted for employers who employed individual less than 28 days or paid individual less than \$400
MT	X	NJ	X
NM	X	NC	Amount charged to a BP employer's account is the benefit allocated to such employer multiplied by 120%
ND	X	OH	X
OK	If employer recalls a laid-off or separated employee and the employee continues to be employed, or voluntarily terminates employment or is discharged for misconduct within the BY, benefit charges may be reduced by the ratio of remaining weeks of eligibility to the total weeks of entitlement	OR	X
PA	X	TN	X
TX	X	UT	X
VT	X	VI	X
WA	Charged to separating employer for certain quits with good cause	WV	X
WI	Benefits are not charged to an employer constituting less than 5% of an individual's BPW	WY	X

NONCHARGING OF BENEFITS

Building on how a state chooses to allocate the charging of benefits is how a state treats individual employers within that framework. Many states provide for certain limited circumstances under which they do not charge individual employers for benefits. In reserve-ratio and benefit-ratio states, certain benefits are omitted from charging; for example, in the benefit-wage-ratio states, certain wages are not counted as benefit-wages. The decision to charge an employer is related, but not always relevant, to whether an individual is eligible to receive benefits. Chapter 5, *Nonmonetary Eligibility*, discusses how the reason for job separation factors into an individual's eligibility for benefits.

When benefits are not charged to a specific employer, some states will charge a pooled account that is ultimately spread among all rated employers in the state as experience ratings are assigned to employers.

Federal law prohibits states from relieving an employer of benefit charges if the failure of the employer (or its agent) to respond timely and adequately to a request for information on a claim has resulted in an inappropriate payment and if the employer (or agent) has established a pattern of failing to respond to requests for information. States are permitted to elect a stricter standard and charge an employer for fault after the first instance of failure to respond timely or adequately to requests for information related to a UC claim.

The following table provides information on some of the reasons that benefits are excluded from charging. It does not distinguish between noncharging following a period of disqualification and noncharging

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where no disqualification period is imposed. Alaska, a payroll variation state, is excluded because benefit charges are not a factor in determining experience ratings.

TABLE 2-9: BENEFITS EXCLUDED FROM CHARGING

State	State Share of Federal-State EB	Benefit Award Reversed on Appeal	Combined Wage Claims ¹	Voluntary Quit	Discharge for Misconduct	Refusal of Suitable Work	Continues to Work for Employer on Same Part-Time Basis
AL		X		X, including quit to relocate with military-connected spouse	X		X
AZ		X	X	X ² , limited to compelling personal reasons not attributable to employer and not warranting disqualification, and to leaving work due to mutually-agreed-upon mandatory retirement age	X		X
AR	X			X	X		X
CA		X		X ² , limited to quit to take other job, quit to accompany spouse, and irresistible impulse to use intoxicants	X		X
CO		X	X	X ^{2,3}	X		
CT				X, including quit to accompany spouse due to change in location of spouse's employment	X	X	
DE		X	X	X, including quit to accompany spouse or to care for ill or disabled family member	X		X
DC				X ²	X ²		X
FL		X		X	X	X, limited to refusal of reemployment	
GA		X	X	X, including quit to follow military spouse or to accept a better job	X	X, limited to refusal of reemployment in suitable work	
HI	X		X	X	X		X

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TABLE 2-9: BENEFITS EXCLUDED FROM CHARGING

State	State Share of Federal-State EB	Benefit Award Reversed on Appeal	Combined Wage Claims ¹	Voluntary Quit	Discharge for Misconduct	Refusal of Suitable Work	Continues to Work for Employer on Same Part-Time Basis
ID	X	X	X	X	X	X, only if because of participation in approved training	
IL		X	X	X ² , including quit to accept another job, or to accompany a spouse who has been reassigned by the military	X	X	X
IN			X	X	X		X
IA	X	X	X	X	X	X	
KS	X			X	X		X
KY			X	X	X		
LA		X		X, including quit from part-time or interim job to protect full-time or regular job, or to accompany a spouse who has been reassigned by the military	X	X	X
ME	X	X	X	X	X	X, limited to refusal of reemployment in suitable work	X
MD		X		X ² , including quit without good cause attributable to work, to accept a better job, or to enter approved training	X, only for gross and aggravated misconduct		X
MA		X		X ²	X, for individual convicted of felony or misdemeanor		
MI				X, including quit to accompany military spouse to new duty location	X		X
MN			X	X	X		

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TABLE 2-9: BENEFITS EXCLUDED FROM CHARGING

State	State Share of Federal-State EB	Benefit Award Reversed on Appeal	Combined Wage Claims ¹	Voluntary Quit	Discharge for Misconduct	Refusal of Suitable Work	Continues to Work for Employer on Same Part-Time Basis
MS				X, including quit to accompany military spouse to new duty location	X	X	X
MO		X	X	X ⁴	X	X	
MT	X	X		X ²	X ²		X
NE		X	X	X, including quit to accompany spouse to spouse's new employment in a different city or new military duty station, to care for family member with a serious health condition, or to accept insured work in construction industry	X		X
NV	X		X	X, including quit to accompany military spouse or to take other employment	X		
NH			X	X, including quit resulting from physician-certified inability to perform job duties due to pregnancy, illness, or non-work-related injury, including quit to accompany spouse, or quit to accept better employment			X
NJ		X		X ² , including BY employer if worker left that job by a disqualifying separation	X ² , including BY employer if worker left that job by a disqualifying separation	X, including BY employer if separation due to failure to accept suitable work without good cause	
NM	X	X		X ² , including quit to accompany military spouse or to take other employment	X ²		
NY	X			X	X		X
NC		X		X, including quit to accompany military spouse or to take other employment	X		X

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TABLE 2-9: BENEFITS EXCLUDED FROM CHARGING

State	State Share of Federal-State EB	Benefit Award Reversed on Appeal	Combined Wage Claims ¹	Voluntary Quit	Discharge for Misconduct	Refusal of Suitable Work	Continues to Work for Employer on Same Part-Time Basis
ND		X		X ² , including quit to accompany military spouse or quit directly attributable to sexual assault	X		
OH		X	X	X, including quit from interim or part-time job to protect full-time job	X	X, only if because of participation in approved training	X
OK		X		X ² , including quit due to compelling family circumstances	X		X
OR	X	X	X	X	X		X
PA		X		X	X		X
PR	X						
RI		X		X	X		
SC	X	X		X ²	X ²	X, limited to refusal of reemployment in suitable work	
SD	X	X		X, including quit to accompany military spouse	X		
TN		X		X, including quit to accompany military spouse	X		X
TX		X		X ² , including quit to begin military service	X ²		
UT	X	X	X	X, including quit to accompany military spouse	X		X
VT			X	X	X	X	X
VA			X	X ⁵	X, separation due to violation of law leading to jail time	X, refusal of rehire due to participation in approved training	
WA	X	X		X ²	X		X
WV		X		X, including quit to relocate with military spouse	X		

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TABLE 2-9: BENEFITS EXCLUDED FROM CHARGING

State	State Share of Federal-State EB	Benefit Award Reversed on Appeal	Combined Wage Claims ¹	Voluntary Quit	Discharge for Misconduct	Refusal of Suitable Work	Continues to Work for Employer on Same Part-Time Basis
WI		X		X ^{2, 6} , including quit due to illness, disability, or to accompany spouse			
WY	X	X		X ² , including quit to follow military spouse	X		X

¹ In the case of a combined wage claim, most states limit noncharging to specific situations such as benefits paid in excess of amount payable under state law or if individual would have been ineligible using only the in-state wages.

² Includes separations due to domestic violence.

³ If quit one construction job to take a better construction job when conditions of law are met. Also, does not charge employer if individual separates due to compelling family reasons, or to relocate to a new residence from which it is impractical to commute due to death of military spouse who was an active-duty member of the US. Armed Forces, stationed in Colorado, and who was killed in combat.

⁴ For individual leaving to accept more remunerative job or who quit unsuitable work within 28 days.

⁵ For quit to accept other employment, to enter approved training, because of a non-job-related injury or medical condition, or required in work release programs as a condition of release/parole. Also, for quit to accompany active-duty military spouse to new assignment if relocation is due to permanent change of station order, new location is not readily accessible from individual's place of employment, and spouse's new duty assignment is located in a state that does not consider a person accompanying a military spouse to be leaving work voluntarily without good cause.

⁶ Benefits are charged when a claimant voluntarily terminates employment because of the illness or disability of a family member when the period of time needing to be off is longer than the employer is willing to grant leave.

States noncharge benefits for reasons in addition to those reasons listed in Table 2-9, Benefits Excluded from Charging, including the following:

- Some states will delay charges until an individual has collected a certain amount of benefits, thereby resulting in non-charging of benefits where an individual's unemployment is very short in duration.
- In some states with dependents' allowances (see Table 3-10, Amount of Weekly Dependents' Allowances), the employers are not charged for the allowances.
- Some states noncharge employers for benefits paid on claims as a result of identity theft or criminal impersonation.
- Some states noncharge benefits paid after an individual has satisfied the period of disqualification for a voluntary quit, misconduct, or a refusal of suitable work (for more information on noncharging see Chapter 5, *Nonmonetary Eligibility*). The intent is to relieve the employer of charges for unemployment caused by circumstances beyond the employer's control.
- Some states noncharge benefits paid to individuals who:
 - were unable to work due to a disaster;
 - were in training with the approval of the UI agency;

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- were laid off when a permanent employee who was called to military duty returned and claimed their job; or
- were laid off when the employer was called to active military duty.

In general, seasonal employers are charged only with benefits paid for unemployment occurring during the season, and nonseasonal employers with benefits paid for unemployment at other times. A few states have special provisions for identifying the employer to be charged in the case of benefits paid to seasonal workers. For example, in Maine, the individual must also have seasonal base-period wages for the seasonal employer to be charged benefits during the season. For information on using seasonal wage credits to establish monetary entitlement, refer to Table 3-13, Seasonal Wage Credits Available Only During Season.

TAXES PAYABLE TO UNEMPLOYMENT FUND

As described above, states use different formulas for determining an employer's experience rating. This is then rolled up into the employer's rate assignment (*i.e.*, overall employer's contribution rate). The methodology for rate assignments varies greatly across states. In order to qualify for a lower contribution rate, many states require that all necessary contribution reports have been filed and all contributions due have been paid.

In some states, an overall contribution rate is calculated as the sum of various components (*e.g.*, basic contribution rate, a solvency rate, social cost add-on, and adjustments for other purposes). Components that are treated by state law as distinctly separate are listed in Table 2-11, Surcharges, Surtaxes, and Adjustments. Taxes that are collected but not paid into the state's unemployment fund are listed later in this chapter under the heading "Additional Taxes."

RATES AND RATE SCHEDULES—Schedules are used to convert the results of the experience rating formula (*i.e.*, reserve-ratio, benefit-ratio, benefit-wage-ratio, or payroll variation) into a tax rate. In a few benefit-ratio states, the benefit-ratio is itself the employer's rate. Several states use an "array" system where employers are annually ranked against each other, rather than through a schedule using predetermined experience levels. Rate classes in array systems are determined by segregating wages paid by all employers. For example, the highest rate class will consist of employers with the highest costs. A new rate class will be triggered when employers in the highest class represent a certain percentage of the wages paid under state law.

MINIMUM AND MAXIMUM RATES—Tax rates depend on the state's fund balance and other factors in state law. In most states, low fund balances trigger schedules with higher rates and higher fund balances trigger schedules with lower rates.

Note: The following table indicates the range of base contribution rates provided for in state law. It **does not** indicate what rates are in effect for the current year. For a summary, refer to the most recent Significant Provisions of State UI Laws publication. For additional detail, contact the appropriate state UI agency.

Table 2-11 provides details on taxes that are treated by state law as distinctly separate from the employer's contribution rate, including surcharges, surtaxes, and adjustments. Additionally, Tables 2-14, 2-15, and 2-16 provide details on additional taxes that are not deposited into the state's unemployment fund.

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TABLE 2-10: FUND REQUIREMENTS AND RANGE OF RATES

State	Most Favorable Schedule			Least Favorable Schedule		
	When Fund Balance	Range of Rates		When Fund Balance	Range of Rates	
		Minimum	Maximum		Minimum	Maximum
AL	≥125% of desired level	0.14%	5.4%	<70% of desired level	0.65%	6.8%
AK	Law authorizes agency to set rates	≥1.0%	≤6.5%	Law authorizes agency to set rates	≥1.0%	≤6.5%
AZ	≥12% of taxable payrolls	0.02%	5.4%	<3.0% of taxable payrolls	0.02%	≥5.4%
AR ¹	≥2.0% of taxable payrolls	0.1%	6.0%	<0.4% of taxable payrolls	0.8%	6.0%
CA	>1.8% of taxable payrolls	0.1%	5.4%	<0.6% of taxable payrolls	1.5%	6.2%
CO	Fund reserve ≥1.4	0.51%	6.28%	Fund reserve ≤ 0.0	0.75%	10.39%
CT	Based on benefit-ratio	0.5%	5.4%	Based on benefit-ratio	0.5%	5.4%
DE	Dependent upon the state experience factor	0.1%	8.0%	Dependent upon the state experience factor	0.1%	8.0%
DC	>3.0% of payrolls	0.1%	5.4%	≤0.8% of payrolls	1.9%	7.4%
FL	Current adjusted benefit-ratio	0.1%	5.4%	Current adjusted benefit-ratio	0.1%	5.4%
GA	State-wide reserve-ratio of ≥2.7%	0.0125%	5.4%	State-wide reserve-ratio of <1.25%	0.0375%	8.1%
HI	Ratio of the current reserve fund to the adequate reserve fund is >1.69	0.0%	5.4%	Ratio of the current reserve fund to the adequate reserve fund is <0.2	2.4%	6.6%
ID	State calculated average high cost multiple	0.18%	5.4%	State calculated average high cost multiple	0.96%	6.8%
IL ²	Dependent upon the adjusted state experience factor	0.2% or the product of 0.2% and the adjusted state experience factor	The greater of 6.4% or the product of 6.4% and the adjusted state experience factor	Dependent upon the adjusted state experience factor	0.2% or the product of 0.2% and the adjusted state experience factor	The greater of 6.4% or the product of 6.4% and the adjusted state experience factor
IN	≥1.6% of payrolls	0.0%	5.4%	<0.2% of payrolls	0.75%	10.2%
IA	Current reserve fund ratio/highest benefit cost ratio ≥1.3	0.0%	7.0%	Current reserve fund ratio/ highest benefit cost ratio <0.3	0.0%	9.0%
KS	Based on reserve-ratio	0.2%	7.6%	Based on reserve-ratio	0.2%	7.6%
KY	≥1.18% of payrolls	0.0%	9.0%	<\$150 million	1.0%	10.0%
LA	Based on reserve-ratio	0.09%	6.0%	Based on reserve-ratio	0.09%	6.0%
ME	Reserve multiple of >1.58	Varies	≥5.4%	Reserve multiple of <0.25	Varies	≥5.4%
MD	>5.0% of taxable payrolls	0.3%	7.5%	<3.0% of taxable payrolls	2.2%	13.5%
MA	≥1.65% of taxable payrolls	0.56%	8.62%	<0.3% of taxable payrolls	1.21%	18.55%
MI	Based on benefit-ratio	0.0%	6.3%	Based on benefit-ratio	0.0%	6.3%

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TABLE 2-10: FUND REQUIREMENTS AND RANGE OF RATES

State	Most Favorable Schedule			Least Favorable Schedule		
	When Fund Balance	Range of Rates		When Fund Balance	Range of Rates	
		Minimum	Maximum		Minimum	Maximum
MN	≥0.75% of payrolls	0.1%	9.0%	<0.55% of payrolls	0.4%	9.4%
MS	Depends on statutory variables that comprise the general experience rate	0.0%	5.4%	Depends on statutory variables that comprise the general experience rate	0.0%	5.4%
MO ³	>\$720 million	0.0%	5.4%	<\$350 million	0.0%	7.8%
MT	≥2.6% of payrolls	0.0%	6.12%	<0.25% of payrolls	1.62%	6.12%
NE	No requirements for fund balance in law	0.0%	≥5.4%	No requirements for fund balance in law	Not specified	≥5.4%
NV	Rates set by agency in accordance with authorization in law	0.25%	5.4%	Rates set by agency in accordance with authorization in law	0.25%	5.4%
NH	≥\$300 million	0.1%	7.0%	<\$250 million	0.1%	8.5%
NJ	≥3.5% of taxable wages	0.3%	5.4%	≤0.99% of taxable wages	1.3%	7.7%
NM	Based on benefit-ratio	0.33%	5.4%	Based on benefit-ratio	0.33%	5.4%
NY	≥5.0% of payrolls	0.0%	5.9%	<0% of payrolls	1.5%	8.9%
NC	>1.25% of total insured wages	0.06%	5.76%	<1.0% of total insured wages	0.06%	5.76%
ND	Rates set by agency in accordance with authorization in law	0.01%	≥5.4%	Rates set by agency in accordance with authorization in law	0.01%	≥5.4%
OH	≥30% above minimum safe level	0.0%	6.3%	≤60% below minimum safe level	≥0.3%	≥6.7%
OK	≥3.5 x 5-year average of benefits	0.1%	5.5%	<2 x 5-year average of benefits	0.3%	9.2%
OR	≥200% of cumulative taxable payroll limit	0.5%	5.4%	<100% of cumulative taxable payroll limit	2.2%	5.4%
PA	Law authorizes agency to set rates	0.0%	8.95%	Law authorizes agency to set rates	0.0%	8.95%
PR	>\$589 million	1.0%	5.4%	<\$370 million	2.5%	5.4%
RI	≥6.4% of payrolls	0.21%	7.4%	<1.0% of payrolls	1.2%	10.0%
SC	Based on benefit-ratio	0.0%	≥5.4%	Based on benefit-ratio	0.0%	≥5.4%
SD	Average high cost multiplier ≥1.6%	0.0%	9.30%	Average high cost multiplier <1.6%	0.0%	9.45%
TN	≥\$850 million	0.01%	10.0%	<\$450 million	0.5%	10.0%
TX	Based on benefit-ratio	0.0%	6.0%	Based on benefit-ratio	0.0%	6.0%
UT	Based on reserve factor calculation	0.0%	7.0%	Based on reserve factor calculation	0.0%	7.0%
VT	≥2.5 x highest benefit cost rate	0.4%	5.4%	<1.0 x highest benefit cost rate	1.3%	8.4%
VA	Fund balance factor is ≥115%	0.0%	5.4%	Fund balance factor is ≤50%	0.1%	6.2%

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TABLE 2-10: FUND REQUIREMENTS AND RANGE OF RATES

State	Most Favorable Schedule			Least Favorable Schedule		
	When Fund Balance	Range of Rates		When Fund Balance	Range of Rates	
		Minimum	Maximum		Minimum	Maximum
VI ⁴	Based on reserve-ratio	0.0%	6.0%	Based on reserve-ratio	0.0%	6.0%
WA	Based on benefit-ratio	0.0%	5.4%	Based on benefit-ratio	0.0%	5.4%
WV	≥3.0% of gross covered wages	0.0%	7.5%	<1.75% of gross covered wages	1.5%	7.5%
WI	≥\$1.2 billion	0.0%	10.7%	<\$300 million	0.07%	10.7%
WY	Based on benefit-ratio	0.0%	8.5%	Based on benefit-ratio	0.0%	8.5%
GENERAL NOTE: Table 2-10 incorporates the various methods of determining the minimum and maximum rates under the least and most favorable circumstances. The rates above reflect only those tax rate ranges for contributions deposited into the Unemployment Trust Fund. In some states, under certain circumstances, the rates shown above are reduced. ¹ The rates shown above do not include the additional contribution assessments (applicable to certain maximum rated deficit employers) of up to an additional 8.0%. ² The maximum rate is capped at 5.4% for “small” employers. ³ The maximum rates do not include the surcharge (applicable to certain maximum rated deficit employers) of up to 1.5%. ⁴ U.S. Virgin Islands is transitioning to a new financing system in 2022.						

LIMITATION ON RATE INCREASES—Some states provide limitations on how much an employer’s rate may increase from one year to the next. For example, in Oklahoma, employers with rates of 3.4 percent or more are limited to a rate increase of 2.0 percent in any year. Employers in Oklahoma with rates below 3.4 percent may not have an increase to more than 5.4 percent in any year. Wisconsin prevents sudden increases of rates for individual employers by limiting an employer’s rate increase in any year to no more than 1.0 percent higher than the previous rate for positive rated employers, or 2.0 percent higher than the previous rate for negative rated employers.

ADJUSTMENTS—The following table displays surcharges, surtaxes, and adjustments that are treated by state law as separate from the employer’s contribution rate. These adjustments may be in the form of a direct modification of the employer’s contribution rate (for example, by adding 0.1 percent to, or subtracting 0.1 percent from, the employer’s rate) or by taking these costs into account when calculating the employer’s experience rating (for example, charging a prorated portion of socialized costs to the employer’s account in a reserve-ratio state). Note that, depending upon the solvency of a state’s fund and other factors in state law, not all of the following adjustments are levied in a given year.

TABLE 2-11: SURCHARGES, SURTAXES, AND ADJUSTMENTS

State	Name	Amount	Purpose
AL	Shared Cost Assessment ¹	Varies	Social Cost
AK	Trust Fund Solvency Adjustment ¹	Range -0.4% to 1.1%	Solvency
AR	Extended Benefit Tax	When in effect, 0.1%	Extended Benefits
	Stabilization Tax ²	Range -0.1% to 0.8%	Solvency
CO	Solvency Surcharge	When in effect, the rate varies	Solvency
CT	Fund Balance Tax Rate	Up to 1.4%	Solvency
DE	Supplemental Assessment Rate	0.2%	Solvency

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TABLE 2-11: SURCHARGES, SURTAXES, AND ADJUSTMENTS

State	Name	Amount	Purpose
IL	Fund Building Factor	Range 0.4% to 0.55%	Solvency
IN	Unemployment Insurance Surcharge ³	Varies	Solvency
KS	Solvency Adjustment	Range -0.5% to 1.6%	Solvency
LA	Social Charge Tax	Varies ⁴	Social Cost
	Solvency Adjustment ⁵	Range -10% to 30% of contributions due	Solvency
MA	Secondary Adjustment	When in effect, from 0.3% - 0.9%	Solvency
MI	Account Building Component	Range 0.0% to 3.0%	Solvency
	Nonchargeable Benefit Component	Range 0.0% to 1.0%	Social Cost
MN	Additional Assessment Rate	0.0% to 14.0%	Solvency
	Falling Trust Fund Adjustment	When in effect, 0.1%	Solvency
NH	Emergency Surcharge	When in effect, 0.5%	Solvency
	Emergency Power Surcharge	When in effect, 0.5%	Solvency
NJ	Solvency Adjustment	When in effect, 25% reduction or 50% reduction ⁶	Solvency
NY	Subsidiary Contribution	When in effect, 0.0% - 0.925%	Solvency
OH	Mutualized Contributions	When in effect, up to 0.5%	Social Cost
OK	Temporary Surcharge	When in effect, up to 33½%	Solvency
PA	Solvency Measures ¹	Surcharge adjustment of 5.4% and additional contributions of 0.5%	Solvency
SD	Adjustment Percentage	When in effect, 0.1% - 1.5% ⁷	Solvency
TX	Replenishment Tax Rate	Varies	Social Cost
	Deficit Tax Rate	When in effect, up to 2.0%	Solvency
	Surplus Credit Rate	When in effect, the rate varies	Solvency
UT	Social Tax Rate	Varies	Social Cost
VA	Fund Balance Factor	Varies	Solvency
	Pool Cost Charge Rate	Varies	Social Cost
WA	Social Cost Factor	Varies	Social Cost
	Solvency Surcharge	When in effect, up to 0.2%	Solvency
WI	Solvency Rate	Range 0.0% to 1.3% ⁸	Solvency
WY	Adjustment Factor	Up to 1.5%	Social Cost & Solvency

GENERAL NOTE: Social cost recoupments are generally payable each year. Solvency adjustments are triggered by fund balances.

¹ Excludes new employers.

² Portion of stabilization tax proceeds are deposited into the Training Trust Fund and Unemployment Insurance Administrative Fund.

³ If funds from this surcharge are used to pay interest on advances those payments may not be credited to an employer's experience rating account.

⁴ The social charge rate is calculated to the nearest 0.01% and may not raise an employer's total rate above 6.2%.

⁵ If the balance in the trust fund exceeds \$1.4 billion an additional 10% reduction applies.

⁶ Not applicable to maximum rated employers.

⁷ Contribution rate may not exceed 12% with the adjustment percentage.

⁸ Seasonal employers pay an additional 2.0% solvency rate (total rate capped at 10.7% + solvency rate applicable that year).

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COMPUTATION, FUND TRIGGER, EFFECTIVE DATES, AND NEW EMPLOYERS—The computation date is the end of the period used to determine the employer’s experience with unemployment. For example, a benefit-ratio state may compute an employer’s experience rating using the benefits paid in the three years immediately preceding the computation date. If a new or newly covered employer has accrued sufficient experience as outlined under state law prior to the computation date, the employer will be assigned a rate based on that experience. Under FUTA, experience rates must be effective within 27 weeks of the computation date.

The fund trigger date is the date the fund’s balance is determined for purposes of determining which rate schedule is used for the following tax year.

All state laws contain provisions describing the treatment of employers who are not eligible for experience ratings. Federal law requires that all states assign employers with three years of experience a rate based on that experience. Federal law allows states to reduce the experience period to no less than one year before assigning rates based on experience and allows states to assign new employer rates on a “reasonable basis,” but not less than 1.0 percent. Typically, states assign either a flat rate to all new employers or a rate based on the new employer’s industry type (*e.g.*, all new construction employers receive an average of the rate for all construction employers). In some states, these two methods are combined. In some cases, the flat rate varies from year to year, depending on such factors as the fund balance.

TABLE 2-12: COMPUTATION, FUND TRIGGER, EFFECTIVE DATES, AND NEW EMPLOYERS					
State	Computation Date	Fund Trigger Date	Effective Date for New Rates	Years Needed to Qualify for Experience Rating ¹	Reduced Rate for New Employers (must be at least 1.0%)
AL	June 30	Sept. 30	Jan. 1	1	2.7%
AK	June 30	Sept. 30	Jan. 1	1 ¹	2.07% or Average industry rate
AZ	July 1	July 31	Jan. 1	1	2%
AR	June 30	June 30	Jan. 1	3	2.9% ²
CA	June 30	Sept. 30	Jan. 1	1	3.4%
CO	July 1	July 1	Jan. 1	1	Greater of 1.7%, actual rate, or, for construction industry, average industry rate
CT	June 30	June 30	Jan. 1	1 ¹	Higher of 1% or state’s 5-year benefit cost rate
DE	Oct. 1	Sept. 30	Jan. 1	2	Average industry rate
DC	June 30	Sept. 30	Jan. 1	3	2.7% or average rate for all employers if higher
FL	June 30	June 30	Jan. 1	2½	2.7%
GA	June 30	June 30	Jan. 1	3	2.7%
HI	Dec. 31	Nov. 30	Jan. 1	1	1.7% - 5.2% based upon the rate schedule in effect
ID	June 30	Sept. 30	Jan. 1	1	1.0% - 3.4% based upon fund balance calculation
IL	June 30	June 30	Jan. 1	3 ¹	2.7% multiplied by the state experience factor
IN	June 30	Sept. 30	Jan. 1	3 ¹	2.5%; 1.6% for government employers
IA	July 1	July 1	Jan. 1	3	1% - 3.0% based upon the rate schedule in effect; 7.0% - 9.0% for construction

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TABLE 2-12: COMPUTATION, FUND TRIGGER, EFFECTIVE DATES, AND NEW EMPLOYERS

State	Computation Date	Fund Trigger Date	Effective Date for New Rates	Years Needed to Qualify for Experience Rating ¹	Reduced Rate for New Employers (must be at least 1.0%)
KS	June 30	June 30	Jan. 1	2	2.7%; construction employers receive 6.0%
KY	July 31	Sept. 30	Jan. 1	1	2.7%; foreign and domestic construction firms receive maximum rate
LA	June 30	Sept. 1	Jan. 1	3	Up to 6.2% based on average industry rate
ME	June 30	Sept. 30	Jan. 1	2	Greater of predetermined yield or 1%
MD	July 1	Sept. 30	Jan. 1	2	2.3% foreign contractors assigned average industry rate
MA	Sept. 30	Sept. 30	Jan. 1	1	2.42%; construction employers receive 6.91%
MI	June 30	June 30	Jan. 1	2 ³	2.7%; construction employers receive average industry rate
MN	June 30	March 31	Jan. 1	1	Higher of 1% or the state's 4-year benefit cost rate; higher of regular new employer rate or 4-year benefit cost rate for high experience rated employers up to 8.9%
MS	June 30	Nov. 1	Jan. 1	1	1% - 1.2% depending on years of liability
MO	June 30	Oct. 1 ⁴	Jan. 1	1	Greater of 2.376% or rate assigned to employer's industrial classification; 1.0% for nonprofit
MT	Sept. 30	Oct. 31	Jan. 1	3	Ranges from 1.18% - 2.58% based on average industry rate
NE	Dec. 31	May 31 ⁴	Jan. 1	1 ¹	Lessor of category 12 rate or 2.5%, but not less than 1.25%; construction employers 5.4%
NV	June 30	June 30	Jan. 1	2½	2.95%
NH	Jan. 31	Jan. 31 ⁴	July 1	1	2.7%
NJ	Dec. 31	March 31	July 1	3	2.6825% - 3.5825% based on the tax schedule in effect
NM	June 30	June 30	Jan. 1	3	Greater of 1% or average industry rate
NY	Dec. 31	Dec. 31	Jan. 1	1	Highest rate assigned to employers with positive account balances or 3.4%, whichever is less
NC	Aug. 1	June 30	Jan. 1	1	1%
ND	Sept. 30	Sept. 30	Jan. 1	3	1.02% for positive balance non-construction employers, 6.09% for negative balance non-construction; and 9.69% for construction employers
OH	July 1	July 1	Jan. 1	1	2.7%, except construction employers pay industry average rate
OK	July 31	Dec. 31 ⁵	Jan. 1	1	1.5%
OR	June 30	Aug. 31	Jan. 1	1	2.0% - 3.3% based on the tax schedule in effect

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TABLE 2-12: COMPUTATION, FUND TRIGGER, EFFECTIVE DATES, AND NEW EMPLOYERS

State	Computation Date	Fund Trigger Date	Effective Date for New Rates	Years Needed to Qualify for Experience Rating ¹	Reduced Rate for New Employers (must be at least 1.0%)
PA	June 30	June 30	Jan. 1	1½ ¹	3.689%; construction employers pay 10.2238%
PR	June 30	Dec. 31	Jan. 1	1	2.7% - 3.4% depending upon the tax schedule in effect
RI	Sept. 30	Sept. 30	Jan. 1	3	Higher of 1% or the 5-year benefit cost rate for non-ratable employers up to a maximum of 4.2%
SC	July 1	June 30	Jan. 1	1 ¹	Rate applicable to rate class 12
SD	June 30	June 30	Jan. 1	2	1.2% for first year and 1.0% for second and third years if employer has positive balance; construction pays 6.0% for first year and 3.0% for second and third years if they have a positive balance
TN	Dec. 31	Dec. 31 ⁴	July 1	3	2.7%, except average industry rate when industry reserve-ratio is 0.0% or less; construction employers pay 5.0%
TX	Oct. 1 ⁶	Oct. 1	Jan. 1 ⁶	1	Greater of 2.7% or industry rate
UT	July 1	June 30	Jan. 1	1	Average industry rate up to 9.5%
VT	Dec. 31	Dec. 31	July 1	1	1% ⁷
VA	June 30	June 30	Jan. 1	1	2.5%, plus any applicable add-ons
VI	Dec. 31	Sept. 30	Jan. 1	3	2.0%
WA	July 1	Sept. 30	Jan. 1	2 ¹	90, 100, or 115% of industry average rate depending upon benefits charged and taxes collected from new employers during the previous three years
WV	June 30	Jan. 1	Jan. 1	3	2.7%; construction and foreign entities pay 7.5%
WI	June 30	June 30	Jan. 1	3	2.5%; except construction employers pay average industry rate based on payroll size
WY	June 30	Oct. 31	Jan. 1	3	Average industry rate

¹ Period shown is period throughout which employer's account was chargeable or during which payroll declines were measurable.

AK, CT, IN, and WA - in states noted, requirements for experience rating are stated in the law in terms of subjectivity; **IL** and **PA** - in which contributions are payable; **NE** - in addition to the specified period of chargeability, contributions payable in the 2 preceding CYs; **SC** - rating calculated at the first rating period following 12 months of liability.

² New employers who have been experience rated in another state are given the option of using their previous experience or the new employer rate. The new employer rate must be at least 1.0% plus the stabilization tax rate in effect.

³ An employer's rate will not include a nonchargeable benefits component for the first 4 years of subjectivity.

⁴ **MO** - uses a calculation based on the average balance of the 4 CQs; **NE** - May 30 is the last day the administrator decides the next year's tax rate based on quarterly trust fund balances of preceding year; **NH** - can also use quarterly trust fund levels to activate quarterly changes in tax rates; **TN** - can also use June 30 trust fund balance to activate a 6-month tax schedule.

⁵ In some circumstances, the trust fund trigger date can be July 1.

⁶ For newly qualified employers, computation date is end of quarter in which employer meets experience requirements and effective date is immediately following quarter.

⁷ Exception: Foreign corporations classified in 236, 237, or 238 North American Industry Classification System code shall pay the average rate as of most recent computation date paid by all employers so classified.

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RATE REDUCTION THROUGH VOLUNTARY CONTRIBUTIONS—About half of the states allow employers to obtain lower rates by making voluntary contributions. Federal law requires that voluntary contributions be made earlier than 120 days after the beginning of the rate year, though some states establish earlier due dates. Because federal law restricts refunds to only erroneous payments, if a voluntary contribution does not lead to a reduced rate or if an employer later changes their mind, no refund can be made.

In reserve-ratio states (refer to Table 2-3, Reserve-Ratio Formula States), a voluntary contribution increases the balance in the employer's reserve, resulting in a lower rate being assigned that will save more than the amount of the voluntary contribution. In benefit-ratio states (refer to Table 2-4, Benefit-Ratio Formula States), an employer pays voluntary contributions to cancel benefit charges to its account, thereby reducing its benefit-ratio.

TABLE 2-13: STATES PERMITTING RATE REDUCTION THROUGH VOLUNTARY CONTRIBUTIONS

State	Due Date	Additional Information
AZ	On or before February 28	No additional information
AR	On or before March 31	Not permitted if rate increased because of knowingly violating/attempting to violate state law regarding transfers of experience and assignment of rates
CA	By last working day in March in CY to which reduced rate would apply	Cannot reduce by more than 3 rates; employer must not have negative account balance or have any amounts owed; not allowed for any year in which schedule E or F or emergency solvency surcharge in effect
CO	Before March 15	No additional information
GA	Within 30 days following the date upon which a notice is mailed	No additional information
IN	Within 30 days of receipt of rate notice	No additional information
KS	Within 30 days of mailing of rate notice	No rate may be reduced more than five rate groups for positive balance employers; negative balance employers may have their rates reduced to the highest five rates for positive balance employers
KY	Within 20 days following mailing of rate notice	No additional information
LA	Within 30 days of mailing of notice of benefits charged to employer's experience rating account	May not be permitted if solvency tax, advance interest tax, or special assessment to finance bonds used to prepay federal loan is assessed
ME	Within 30 days of mailing of rate notice; can be extended for 10 days for good cause	No additional information
MA	No later than 30 days after date of issuance of notice of employer's contribution rate	Employer must be assigned contribution rate, file all required reports, and pay all contributions, interest, and penalties due
MI	Within 30 days of mailing of notice of adjusted contribution rate	No additional information
MN	Within 120 days of January 1	Contribute up to amount of benefits charged to account during period ending June 30 of preceding year plus 25% surcharge; not refundable unless request made in writing within 30 days of mailing of notice of new contribution rate; must not be delinquent in any amount
MO	On or before following January 15	Employer must be eligible for experience rate and must include signed written statement identifying it as voluntary payment
NE	Before January 10	Limited to amount likely to reduce one rate category
NJ	Within 30 days of mailing of employer's rate notice; may be extended 60 days for good cause; if contribution not made within extended period, employer becomes subject to a penalty of 5% or \$5.00, whichever is greater, up to \$50.00	If employer transfers all/part of business to a successor in interest and both parties at time of transfer are under common ownership or control, neither may make voluntary contributions in year of transfer and the following year
NM	On or before March 1	No additional information
NY	On or before April 1	No additional information

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TABLE 2-13: STATES PERMITTING RATE REDUCTION THROUGH VOLUNTARY CONTRIBUTIONS

State	Due Date	Additional Information
NC	Within 30 days of mailing of rate notice	No additional information
ND	Within 4 months of beginning of year	No additional information
OH	By December 31 following computation date	No additional information
PA	Within 30 days of mailing of rate notice; can extend for good cause	No additional information
RI	Within 30 days of mailing rate notice or prior to 120 days after the start of the calendar year, whichever is earlier	No additional information
SD	Before February 1	No additional information
TX	No later than 60 days after mailing date of rate notice; may extend an additional 15 days; if payment insufficient to cause decrease in employer's rate, Commission will notify employer and grant an extension, not to exceed total of 75 days	No additional information
WA	By February 15	May contribute part or all of benefit charges from most recent 2 years ending June 30; only eligible if contribution rate increased at least 12 rate classes from prior tax rate year
WV	Within 30 days of mailing of rate notice	No additional information
WI	By November 30	Can only lower one rate unless catastrophic event; not available for 5 years for certain employers whose benefit charges exceed their contributions

TRANSFER OF EMPLOYERS' EXPERIENCE

All state laws specify the conditions under which the experience record of a predecessor employer may be transferred to an employer who, through purchase or otherwise, acquires the predecessor's business. States must maintain a record of the employer's experience with the factors used to measure unemployment, which provides the basis for a rate determination. In some states, the authorization for transfer of the record is limited to total transfers (*i.e.*, the record may be transferred only if a single successor employer acquires the predecessor's organization, trade, or business, and substantially all of its assets). In other states, the provisions authorize partial as well as total transfers (*i.e.*, if only a portion of a business is acquired by any one successor, that part of the predecessor's record pertaining to the acquired portion of the business may be transferred to the successor).

The SUTA Dumping Prevention Act of 2004 (Public Law 108-295) addresses concerns regarding employers who attempt to avoid liability for UI benefits charged to their accounts, through the manipulation of payrolls, by providing for:

- mandatory transfers of experience when there is substantial commonality of ownership, management, or control at the time of acquisition of trade or business; and
- no transfers of experience when the acquiring party is not otherwise an employer at the time of acquisition and when the state agency finds that acquiring the business was not solely or primarily for the purposes of obtaining a lower rate of contributions.

Most states establish by statute or regulation the rate to be assigned to the successor employer from the date of the transfer to the end of the rate year in which the transfer occurs. These rate assignments depend on the status of the successor employer prior to the acquisition of the predecessor's business. Most states provide that an employer who already has an experience rating continues to pay that rate for the remainder of the rate

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year; others provide that a new rate be assigned based on the employer's own record combined with the acquired record. For states where it is not established by statute or regulation, it is left to the state UI agency to determine the circumstances under which experience may be transferred.

ADDITIONAL TAXES

LOAN AND INTEREST REPAYMENT TAXES—Some states have the authority under state law to sell bonds to pay benefit costs, thereby avoiding the need to obtain federal advances. In these states, special taxes may be assessed to pay off the bond and any costs associated with the bond.

Additionally, when a state takes out federal advances the funds are subject to interest. A state may not pay interest from the state's unemployment fund and several states have established special taxes to pay the interest cost.

The following table provides additional details on states that provide for loan and interest repayment taxes. Percentage figures include percent of taxable payroll, unless otherwise indicated.

TABLE 2-14: STATES WITH LOAN AND INTEREST REPAYMENT TAXES				
State	Additional Tax Type	Amount	When Payable	Specific Purposes
AL	Additional rate	Rate determined based on amount due ¹	By May 15 th following year interest becomes due	Pay interest on federal advances
AZ	Special assessment	0.5%	Quarterly	Pay principal and interest
AR	Advance interest tax	0.2%	When interest is due on federal advances	Pay interest on federal advances
CO	Advance interest	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
	Bond assessment	Rate determined based on amount due	When bonds are outstanding	Pay bonds issued to pay UC, federal advances, and bond costs
CT	Bond assessment	Not specified; assessment is a percent of employer's charged tax rate	When bonds are outstanding	Pay bonds issued to pay UC, federal advances, and bond costs
	Special assessment	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
DE	Temporary emergency assessment	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
DC	Interest surcharge	1%	When interest is due on federal advances	Pay interest on federal advances
FL	Additional rate	Rate determined based on amount due	When interest is due on federal advances	Pay interest on federal advances
HI	Special assessment	Rate determined based on amount due	When interest is due on federal advances	Pay principal and interest
ID	Advance interest repayment tax	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
IA	Temporary emergency surcharge	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
KY	Surcharge	0.22% taxable wage base, may be adjusted	When interest is due on federal advances	Pay interest on federal advances
LA	Bond repayment assessment	1.4% on \$15,000 wage base ¹	When bonds are outstanding	Pay bonds issued to pay federal advances and bond costs
	Interest repayment tax	Rate determined based on amount due	When interest is due on federal advances	Pay interest on federal advances

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TABLE 2-14: STATES WITH LOAN AND INTEREST REPAYMENT TAXES

State	Additional Tax Type	Amount	When Payable	Specific Purposes
ME	Special assessment	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
MI	Obligation assessment	Rate determined based on amount due ¹	When bonds are outstanding	Pay bonds issued to pay federal advances and bond costs
	Solvency Tax	Lesser of ¼ of the Account Building Component or 2%	When there is an unrepaid interest balance on a federal advance on Dec 31	Pay interest on federal advances
MN	Special assessment	Up to 8% of quarterly taxes	When interest is due on federal advances	Pay interest on federal advances
MO	Advance interest	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
	Bond and loan assessment	Rate determined based on amount due	When bonds or loans are outstanding	Pay principle, interest, and administrative expenses related to bonds and loans
NV	Special assessment	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
	Special bond contributions	Rate determined based on amount due ¹	When bonds are outstanding	Pay bonds issued to pay federal advances and bond costs
NJ	Federal loan interest assessment	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
NY	Interest assessment surcharge	Rate determined based on amount due	When interest is due on federal advances	Pay interest on federal advances
OR	Advance interest repayment tax	Rate determined based on amount due ¹	When interest is due on federal advances	Pay bond obligations and interest on federal advances
PA	Advance interest tax	Capped at 1.0% ¹	When interest is due on federal advances	Pay interest on federal advances
PR	Advance interest tax	Rate determined based on amount due	When interest is due on federal advances	Pay interest on federal advances
SC	Additional surcharge	Rate determined based on amount due	When interest is due on federal advances	Pay interest on federal advances
TN	Interest tax	Rate determined based on amount due ¹	When interest is due on federal advances	Pay interest on federal advances
TX	Obligation assessment	Based on amount due ¹	When bonds or loans are outstanding	Pay interest and cost of bonds
WA	Interest payment tax	Not to exceed 0.15% ¹	Based on balance of interest payment fund and projected interest due	Pay interest on federal advances
WV	Assessment	0.35% on employees, % on employers on \$21,000 tax wage base = to employee assessment	When bonds are outstanding	Retire bonds used to pay federal advances and cost of bonds
WI	Assessment	Rate determined based on amount due	When interest is due on federal advances	Pay interest on federal advances

¹ **AL, CT, ID, LA, ME, MI, MO, NV, OR, PA, TX, and WA** - exclude reimbursing employers; **CO** - excludes governmental entities, reimbursing nonprofit organizations, political subdivisions electing the special rate, negative balance employers, and employers with positive balances of 7.0% or more; **DE** - excludes reimbursing governmental entities or instrumentalities and nonprofit organizations; **ID** - excludes deficit employers from rate class 6; **IA** - excludes governmental employers and employers assigned a zero rate; **NJ** - excludes reimbursing employers, nonprofit organizations, and governmental entities or instrumentalities; **OR** - excludes zero rated employers; **PA** - excludes new employers; and **TN** - excludes employers with no benefit charges for 2 years and no negative balance for the same 2 years.

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RESERVE TAXES—Under state law, some states have the authority to collect taxes to be deposited into a reserve fund. Unlike employer contributions, which are held in the federal UTF until needed to pay benefits, reserve funds are not subject to the federal withdrawal standard, which restricts the use of contributions to the payment of benefits and other specified purposes.

The principal in the reserve fund is generally used for UI purposes (such as paying benefits or interest on federal advances), although state law may redirect the reserve fund's principal to other uses. Any interest earned on the reserve fund is deposited into another fund where it is used for activities such as job training and paying the collection costs of the reserve tax.

The following table provides additional details on states providing for reserve taxes, including states where the taxing authority may have expired but the reserve fund continues to exist. Percentage figures include percent of taxable payroll, unless otherwise indicated.

TABLE 2-15: STATES WITH RESERVE TAXES – PRINCIPAL USED FOR UI PURPOSES, INTEREST USED FOR UI OR NON-UI PURPOSES				
State	Surtax	Total Amount Collected	When Payable	Purpose
ID	Reserve	Taxable wage rate less the assigned contribution rate and training tax rate	If as of September 30 th of the preceding year the Reserve Fund balance is <1% of state taxable wages or <49% of the Employment Security Fund	Loans to the employment security fund, and interest on loans; interest accrued is deposited into the Dept. of Commerce and Labor Special Administration Fund
IA	Reserve	0-50% of contributions due, not to exceed \$50,000,000 in total contributions annually	If as of July 1 st of the preceding year the Reserve Fund balance is <\$150,000,000	Pay UI; interest accrued is used for UI and Employment Service administrative costs
NE	State UI	0-20% of contributions due	When unemployment fund meets specified solvency requirements ¹	Pay UI; interest accrued is deposited into the Jobs Training and Support Fund
NC	Reserve Fund	20% of contributions due	Except if as of September 1 st of the preceding year the balance of the state's account in the Unemployment Trust fund exceeds \$1,000,000,000	Pay UI; principle or interest on federal advances; administrative cost related to the surtax
¹ The reserve tax is in effect unless any of the following occur: the average balance in the state unemployment fund at the end of any 3 months in the preceding CY is greater than 1% of state taxable wages for the same preceding year; the balance in the state unemployment fund equals or exceeds 30% of the average month-end balance of the state's account in the Unemployment Trust Fund for the three lowest calendar months in the preceding year; or the state advisory council determines that a 0% state UI tax rate is in the best interests of preserving the integrity of the state's account in the Unemployment Trust Fund.				

TAXES FOR UI ADMINISTRATION OR NON-UI PURPOSES—Under state law, some states have the authority to collect taxes for UI administration or non-UI purposes, such as job training, employment service administration, or special improvements in technology. These taxes are not deposited into the state's unemployment fund, but in another fund designated by state law. Because federal grants for the administration of the UI program may not be used to collect non-UI taxes, almost all legislation establishing non-UI taxes provides that a portion of the revenues generated will be used for payment of costs of collecting the tax. In some states, certain contributions to the state's unemployment fund are reduced when other taxes or assessments are in effect.

The following table provides additional details on states collecting taxes for administrative purposes. Percentage figures include percent of taxable payroll, unless otherwise indicated. Expired taxes are not listed.

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TABLE 2-16: STATES WITH TAXES FOR UI ADMINISTRATION OR NON-UI PURPOSES				
State	Tax Name	Amount	When Payable	Purpose
AL	Employment Security Administrative Enhancement Assessment	0.06% ¹	Quarterly	Job search/placement
AK	State Training and Employment Program	0.1% ²	Each year	Development of skilled workforce
	Technical and Vocational Education Program	0.15% ^{1, 2}	Each year	Vocational and technical training
AR	Stabilization Tax ^{1, 3}	0.025% of taxable wages collected	Through June 30, 2023	Training
		0.025% of taxable wages collected	Through June 30, 2023	Administration
CA	Employment and Training Tax	0.1% (excluding negative balance employers)	Each year	Training and administration costs
DE	Special Assessment	0.085%	Quarterly	Counseling, training, placement of dislocated workers
DC	Unemployment and Workforce Development Administrative Assessment	0.2%	Quarterly	Improve benefit claim eligibility determinations, reemployment services, fraud prevention, cost of collecting/administering assessment
HI	Employment and Training Fund Assessment	0.01% ¹	Quarterly	Employment services and training
ID	Training Tax	3.0% of taxable wage rate	Excludes deficit employers from rate class ⁵	Training
KY	Service Capacity Upgrade Fund	0.075% ^{4, 9}	Quarterly	Technology acquisition & upgrade
	Additional Contribution	0.3%	When federal funds are not available	Administration
LA	Social Charge Tax	Varies ⁵	When trust fund balance is >\$750 million	Training and specified UI and employment functions
ME	Competitive Skills Scholarship Fund Contributions	Varies ^{6, 9}	Quarterly	Training and related administrative costs
MA	Unemployment Health Insurance Contribution	0.12%-0.34%	Quarterly, applies to employers with 6 or more employees and 2 years as a subject employer	Medical Security Trust Fund
	Workforce Training Fund Contribution	0.056% ⁷	Quarterly	Training
MN	Workforce Development Assessment	0.10% ¹	Quarterly	Dislocated worker training
MS	Workforce Enhancement Contributions	0.15% of taxable wages ^{1, 3}	Quarterly, suspended if IUR >5.5% until IUR <4.5%	Training to enhance productivity
		0.04% of taxable wages ^{1, 3}	Quarterly, suspended if IUR >5.5% until IUR <4.5%	Mississippi Works
		0.01% of taxable wages ^{1, 3}	Quarterly, suspended if IUR >5.5% until IUR <4.5%	Workforce investment
MT	Administrative Fund Tax	0.13% or 0.18% (depending upon rate class) ⁸	Quarterly	Administration
NV	Employment and Training	0.05% ¹	Quarterly	Employment and training of the unemployed
NH	Administrative Contribution	0.4% ⁹	Quarterly	Administration and training

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TABLE 2-16: STATES WITH TAXES FOR UI ADMINISTRATION OR NON-UI PURPOSES

State	Tax Name	Amount	When Payable	Purpose
NJ	Supplemental Workforce Fund for Basic Skills	0.0175% ⁹	Quarterly	Remedial education
	Workforce Development Partnership Tax	0.1% Employer rate ⁹ 0.025% Employee rate	Quarterly	Customized training grants to employers and unions for incumbent workers, training grants for displaced workers, OSHA training grants, youth transition-to-work grants
NY	Re-Employment Service Fund	0.075%	Quarterly	Automation, re-employment services, administration
OK	Technology Reinvestment Apportionment	5.0% of unemployment taxes owed ⁹	Quarterly	Technology modernization
OR	Administration Tax	0.09% ^{1, 9}	Quarterly	Employment Department administration
	Wage Security	0.03% ^{1, 9}	1 st quarter of every odd-numbered year	Pays last payroll checks of bankrupt employers
PR	Special Tax	1.0% ¹	Quarterly	Employment, training, and administration
RI	Job Development Assessment	Varies ^{1, 9}	Quarterly	Rhode Island Human Resource Investment Council (HRIC) and Employment Services and Unemployment Insurance activities
SC	Administrative Contingency Assessment	0.06% ¹	Quarterly	Job placement for individuals
SD	Investment Fee	0 - 0.53% rated employers; 0.55% new employers ¹	Quarterly	Research and economic development
	Administrative Fee	0.02% ¹⁰	Quarterly	Administration
TX	Employment Training Investment Assessment	0.1% ¹¹	Quarterly	Job training
WA	Employment Assistance Tax	0.02% ¹	Quarterly, terminates if federal funding increases	Employment Assistance Program
WI	Administrative Account Contribution	0.2%, but agency may reduce	Quarterly	UI and ES administration
WY	Adjustment Factor	40% of annual noncharged or ineffectively charged adjustment factor ¹	Quarterly	Workforce development program, administration

¹ **AL** - excludes new employers, excludes reimbursing employers, and excludes employers paying at least 5.4%; **AK, AR, MN, RI, SD, WA, and WY** - exclude reimbursing employers; **GA** - excludes reimbursing employers, employers who are assigned the minimum positive reserve rate, or maximum deficit reserve rate; **HI** - excludes reimbursing employers, employers assigned either the minimum, or maximum tax rate; **MS** - excludes state boards, instrumentalities, political subdivisions, and nonprofit organizations; **NV** - excludes reimbursing employers, and employers who pay 5.4%; **OR** - excludes employers paying 5.4%; **PR** - excludes governmental entities and political subdivisions; those employers with a rate of higher than 4.4% shall have the special tax rate capped so as to not increase the employer's rate above 5.4%; **SC** - excludes nonprofit organizations, certain governmental employers, and employers paying 5.4%.

² Taken from employee portion of unemployment tax.

³ Portion of Stabilization Tax listed in table 2-11.

⁴ Only collected when trust fund is above specified level.

⁵ The social charge rate is calculated to the nearest .01% and may not raise an employer's total rate above 6.2%.

⁶ Contribution rates may not be reduced for new employers below 1.0%, nor below 5.4% for employers in category 20.

⁷ Administrator shall adjust rate to substantially equal \$22 million.

⁸ Governmental contributory employers pay 0.09% and reimbursable employers pay 0.08%.

⁹ Employers tax rate as listed in table 2-10 is reduced (see state law for details).

¹⁰ Applies only to experience rated employers with a reserve-ratio <2.25%.

¹¹ Employers Replenishment Tax Rate listed in table 2-10 is reduced by an amount equal to this tax.

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SPECIAL PROVISIONS FOR FINANCING BENEFITS PAID TO EMPLOYEES OF STATE AND LOCAL GOVERNMENTS, CERTAIN NONPROFIT ORGANIZATIONS, AND FEDERALLY RECOGNIZED INDIAN TRIBES

THE REIMBURSEMENT OPTION—As discussed in Chapter 1, *Coverage*, federal law requires coverage of most services performed for state and local governmental entities, certain nonprofit organizations, and federally recognized Indian tribes. These amendments also require that states permit these entities to elect to make “payments in lieu of contributions” (more commonly called “reimbursements”) to a state’s unemployment fund. State and local governments, certain nonprofit organizations, and federally recognized Indian tribes that elect this option are commonly referred to as “reimbursing employers.”

Because reimbursing employers are only reimbursing the state unemployment account for benefits paid, they are not paying costs for administration of the UI program, nor are they subject to FUTA tax.

States bill reimbursing employers at the end of each calendar quarter or some other period determined by the state. Most states charge reimbursing employers for the benefits paid during that period that are attributable to service in their employ. However, some states, and this is largely limited to non-profit organizations, charge reimbursing employers a flat rate based on a percentage of the organization's total payroll in the preceding calendar year. This second method appears to be less burdensome because it spreads benefit costs more uniformly throughout the calendar year. A couple of states mandate this second method for nonprofits, while other states permit a nonprofit organization the option of choosing either method, subject to the approval of the state agency. Arkansas is the only state to extend this method beyond nonprofit organizations. Arkansas requires that all state agencies use the first method and other employers that choose the reimbursing method (*e.g.*, nonprofit organizations) use the second method.

Although states may relieve reimbursing employers of benefit costs, few do. Unlike contributing employers, who share noncharged benefit costs through such devices as minimum contribution and solvency rates, a reimbursing employer will not fully pay its noncharging costs. In Mississippi, political subdivisions that elect the reimbursement option may elect to pay 0.25 percent of taxable wages as a condition of receiving relief of benefit costs under the same conditions as contributory employers.

Some state laws permit two or more reimbursing employers to apply jointly to the state agency for the establishment of a group account to pay the benefit costs attributable to service in their employ. This group is treated as a single employer for the purposes of benefit cost allocation and reimbursement.

SPECIAL PROVISIONS FOR STATE AND LOCAL GOVERNMENTS—Generally, state laws treat state and local governmental entities the same as nonprofit organizations and federally recognized Indian tribes for financing purposes. However, treatment of state and local governmental entities may differ in the following ways:

- the state law may designate the state, as a whole, as a governmental entity and choose its financing option. (Effectively, the state legislature elects the state’s financing option.)
- governmental entities using the contribution option must or may, depending on state law, use a method different from those applicable to other employers in the state. (Unlike nonprofit organizations and federally recognized Indian tribes, the federal experience rating requirements do not apply to state and local governmental entities.)
- a state and local governmental entity is liable for the full amount of federal-state extended benefits attributable to service in their employ. The Federal Government does not share these

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costs because state and local governmental entities are not subject to the FUTA tax that funds the federal share. (This extended benefit rule applies to federally recognized Indian tribes as well.)

The following table indicates how states treat state and local governmental entities.

TABLE 2-17: FINANCING PROVISIONS FOR GOVERNMENTAL ENTITIES							
State	Method Prescribed for State Government	Options for Governmental Entities in Addition to Reimbursement		State	Method Prescribed for State Government	Options for Governmental Entities in Addition to Reimbursement	
		Regular Contributions	Special Schedule			Regular Contributions	Special Schedule
AL	Reimbursement	X		AK		X	
AZ		X		AR		X	
CA		X	X	CO	Reimbursement	X	
CT	Reimbursement	X		DE			X
DC		X		FL		X	
GA		X		HI		X	
ID		X		IL ¹	Reimbursement	X	
IN		X		IA		X	X
KS		X	X	KY		X	
LA		X		ME		X	
MD		X		MA			X
MI		X		MN		X	
MS	Reimbursement	X	X	MO		X	
MT			X	NE		X	
NV		X		NH	Reimbursement	X	
NJ		X	X	NM	Reimbursement	X	X
NY	Reimbursement	X		NC		X	
ND		X	X	OH		X	
OK	Contribution		X	OR	Reimbursement	X	X
PA	Reimbursement	X		PR		X	
RI		X		SC		X	
SD	Reimbursement	X		TN		X	X
TX			X	UT	Reimbursement	X	
VT ²	Reimbursement	X		VA		X	
VI		X		WA	Reimbursement	X	X
WV		X		WI	Reimbursement	X	
WY		X					
¹ Benefits paid to state employees are financed by appropriation to the state Department of Employment Security, which then reimburses the unemployment compensation fund for benefits paid.							
² State institutions of higher education have an option of contributions or reimbursement; all other state agencies must reimburse.							

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In California, state and local governmental entities elect either the contributions or reimbursement method. Schools in California have, in addition to those two options, the option of making quarterly contributions of 0.5 percent of total wages to the School Employee's Fund plus a variable local experience charge to pay for "administrative indiscretions." The Local Public Entity Employee's Fund and School Employee's Fund have been established in the state Treasury to which political subdivisions and schools, respectively, contribute a percentage of their payrolls and from which the state unemployment compensation fund is reimbursed for benefits paid.

Kansas and Massachusetts have developed a system that is similar to their experience rating for state and local governmental entities that elect the contributions method. Under this system, three factors are involved in determining rates: required yield, individual experience, and aggregate experience. In Kansas, the rate for employers not eligible for a computed rate based on their own experience is based on the benefit cost experience of all rated governmental employers. In this state, no employer's rate may be less than 0.1 percent. In Massachusetts, the rate for employers not eligible for a computed rate is the average cost of all rated governmental employers, but not less than 1.0 percent. Massachusetts also imposes an emergency tax of up to 1.0 percent when benefit charges reach a specified level.

In Montana, state and local governmental entities that elect the contributions method pay rates ranging from 0.06 percent to 1.5 percent (in 0.1 percent intervals) on total wages. Rates are adjusted annually for each employer under a benefit-ratio formula. New employers are assigned the median rate for the first year in which they elect contributions. Governmental rates become effective July 1, rather than January 1, as is the case for the state's experience rating contribution system.

New Mexico permits governmental entities other than state agencies to participate in a "local public body unemployment compensation reserve fund" managed by the Risk Management Division within New Mexico's General Services Department. This special fund reimburses the state unemployment fund for benefits paid based on service with the participating political subdivision. The employer contributes the amount of benefits paid attributable to service in its employ to this special fund, plus an additional amount to establish a pool and to pay administrative costs of the special fund.

Oregon has a "local government employer benefit trust fund" to which a political subdivision may elect to pay a percentage of its gross wages. The rate is redetermined each June 30 under a benefit-ratio formula. No employer's rate may be less than 0.1 percent nor more than 5.0 percent. This special fund then reimburses the state unemployment fund for benefits attributable to service in the employ of political subdivisions that have elected to participate in the special fund, repayment of advances, and any interest due because of shortages in the fund.

In Tennessee, each state and local governmental entity that is a contributing employer will pay rates ranging from 0.3 percent to 3.0 percent determined according to its reserve-ratio. In Washington, government agencies and public schools have the option of being assigned an experience-based tax rate or reimbursing the fund for benefits paid. Additionally, counties, cities, and towns have the option of paying a "local government tax" which is paid into a separate account and used to reimburse benefits paid.

BONDING REQUIREMENTS—Because reimbursing employers reimburse the unemployment fund after benefits have been paid, federal law permits states to establish bonds or other reasonable requirements to assure that, in the event the reimbursing employer ceases to exist or otherwise does not pay, the unemployment fund is not left with unreimbursed costs. The following table lists those states that have imposed bonds or other deposit requirements. (Please note that this table does not necessarily reflect requirements for federally recognized Indian tribes.)

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TABLE 2-18: STATES THAT REQUIRE BOND OR DEPOSIT OF EMPLOYERS ELECTING THE REIMBURSEMENT OPTION

State	Provision is:		Amount
	Mandatory	Optional	
AL	X		Percent of taxable payrolls determined by director or administrator, not to exceed the maximum percentage charged to contributing employers
AK	X		Amount determined by regulation
AR	X		Prepays estimated charges each quarter
CO		X ¹	Greater of 3 times amount of regular and ½ EB paid, based on service within part year or sum of such payments during past 3 years, but not to exceed 3.6% nor less than 0.1% of taxable payrolls
CT		X ²	Percent of taxable payrolls not to exceed the maximum contribution rate in effect
DC		X	0.25% of taxable payroll
GA	X		2.7% of taxable payroll as of various alternative dates, or if none, as determined by the Commissioner
HI	X		0.2% of total payrolls
ID		X	Determined on basis of potential benefit cost
IA	X		Amount determined by regulation
KS		X	5.4% of taxable payrolls
KY		X ³	2% of total payrolls
ME	X	X	By regulation; 5% of taxable wages
MD	X		2.7% of taxable wages if the organization has taxable wages less than 25 times the taxable wage base, or 5.4% of taxable wages if the organization's taxable wages equal or exceed 25 times the taxable wage base
MA		X	Percent of taxable payrolls not to exceed the maximum contribution rate in effect
MI	X ⁴		4% of estimated annual payroll
MS		X	1.35% of taxable payrolls for nonprofit organizations and 2% of taxable payrolls for governmental entities
NC	X		Non-profits must keep 1% of prior year's taxable payroll in unemployment fund
NJ		X	Percent of taxable payrolls not to exceed the maximum contribution rate in effect
NM	X ⁵		2.7% of contributions times the organization's taxable wages
OH	X		3% of taxable payrolls but not more than \$2,000,000
OR	X		2% of total wages for the 4 CQs immediately preceding effective date of election to reimbursable status
PA	X		1% of taxable payroll for the most recent 4 CQs prior to election of reimbursable status
PR	X		Determined by rule
RI		X	No greater than double amount of estimated tax due each month, but not less than \$100
SC		X	Bond from nonprofit organizations which do not possess real property and improvements valued in excess of \$2 million; regulation requires bond or deposit of minimum of \$2,000 for employers with annual wages of \$50,000 or less; for annual wages exceeding \$50,000, an additional \$1,000 bond required for each \$50,000 or portion thereof
SD		X	Maximum effective contribution rate times organization's taxable payroll
TX		X	Higher of 5% of total anticipated wages for next 12 months or amount determined by the commission
UT		X	Nonprofit employers may be required to deposit 1% of total wages paid in 4 CQs prior to demand; in the absence of 4 quarters of wages, the Division will determine the amount; deposit subject to adjustments
VA		X	Determined by commission based on taxable wages for preceding year

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TABLE 2-18: STATES THAT REQUIRE BOND OR DEPOSIT OF EMPLOYERS ELECTING THE REIMBURSEMENT OPTION

State	Provision is:		Amount
	Mandatory	Optional	
VI	X		1.35% of taxable payrolls
WA		X	Amount sufficient to cover benefit costs but not more than the amount organization would pay if it were liable for contributions
WI	X		4% of taxable payrolls of preceding year or anticipated payroll for current year, whichever is greater
WY		X	No amount specified in law
¹ Regulation states that bond or deposit shall be required if the amount is \$100 or more. ² If agency deems necessary because of financial conditions. ³ Bond or deposit required as condition of election unless agency determines that the employing unit or a guarantor possesses equity in real or personal property equal to at least double the amount of bond or deposit required. ⁴ Applies only to nonprofit organizations that pay more than \$100,000 in remuneration in a CY. ⁵ Applies only to nonprofit organizations.			

CHAPTER 3

MONETARY ENTITLEMENT

IN GENERAL

This chapter details the monetary requirements of state Unemployment Insurance (UI) laws, including:

- wages and employment needed in a base-period to establish a benefit year;
- amount payable for a week of unemployment, referred to as the “weekly benefit amount” or WBA;
- waiting periods;
- benefit amounts for a week of partial unemployment;
- dependents’ allowances;
- the maximum benefit entitlement and duration an individual may receive in a benefit year; and
- other considerations, such as seasonal employment and deductions and withholding from benefits.

An individual’s monetary entitlement for unemployment compensation (UC) is determined by the law of the state where the UC claim was filed. While most individuals are employed in the state where they reside, many individuals regularly commute to a different state to work or work in more than one state. The Interstate Benefit Payment Plan was created to provide instructions for how states are to process UC claims when an individual has wage credits in a state but is not physically present in that state.

Although this chapter analyzes each of the monetary factors separately (*e.g.*, qualifying wages, calculation of the WBA), it is important to recognize the relationship among these factors is complex. Therefore, careful consideration of these relationships must be made when comparing state laws.

BASE-PERIOD AND BENEFIT YEAR

An individual’s benefit rights to UC are determined using wages and employment from a specific period of time called a base-period. Once a claim is established, benefits are payable during a period of time called the benefit year. Individuals who exhaust their benefits before the end of a benefit year must wait until the current benefit year ends before they can file a new claim.

BASE-PERIODS—A base period is the look-back period during which wages earned and/or hours/weeks worked are examined to determine an individual’s monetary entitlement to benefits. Almost all states use the first four of the last five completed calendar quarters preceding the filing of the claim, commonly known as a regular base period, as the look-back period. In other states, the look-back period is defined differently. For example, Massachusetts uses the four completed calendar quarters preceding the first day of the benefit year. Minnesota uses the last four completed calendar quarters, provided the effective date of the claim is not during the month immediately following the fourth completed calendar quarter.

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Base period employment is considered evidence of an individual's attachment to the labor market. Because it is an imperfect measure, there are instances when individuals with labor market attachment are monetarily unable to establish a claim for benefits using a state's regular base-period due to insufficient wages or hours/weeks worked. To address this, states have enacted additional base periods that apply under certain circumstances. This chapter refers to these in two ways: Alternative Base Periods (ABP) and Extended Base Periods (EBP). States may use different names to label these.

Alternative Base-Period (ABP)—A regular base-period results in a lag of up to six months between the end of the regular base-period and the date an individual files a claim. Consequently, the individual's most recent work history is not used when determining monetary eligibility. When individuals fail to qualify under the regular base-period, many states determine monetary eligibility using an ABP in which the states will use wages and employment from the last four completed calendar quarters.

Extended Base-Period (EBP)—Several states allow individuals who have no wages in the current base-period, typically due to illness or injury, to use older wages and employment to establish eligibility. The use of this older time frame is generally called an extended base period. For example, a state may allow an individual who was previously injured on the job, and who has collected workers' compensation benefits prior to filing for unemployment benefits, to establish eligibility for unemployment insurance benefits by using wages earned and employment worked before the date of the individual's injury. (Note that some state laws may describe these base-periods as "alternative" base-periods.) The following table details the alternative and extended base periods states use in addition to the regular base-period.

TABLE 3-1: STATES WITH ALTERNATIVE AND/OR EXTENDED BASE-PERIODS			
AK	ABP: Last 4 completed quarters	AR	ABP: Last 4 completed quarters
	EBP: BP extended up to 4 quarters if individual was incapable of working during the greater part of a quarter		EBP: Up to 4 quarters if individual has insufficient wages to establish a claim because of a job-related injury for which the individual received worker's compensation
AZ	EBP: Last 4 completed quarters following previous BP when new BY overlaps preceding BY; also, first 4 of last 5 completed quarters preceding the week a compensable industrial injury began if not qualified under normal base-period, if claim is filed within 2 years of beginning of disability	CA	ABP: Last 4 completed quarters
CO	ABP: Last 4 completed quarters	CT	ABP: Last 4 completed quarters
			EBP: Last 4 completed quarters preceding sickness or disability
DE	ABP: Last 4 completed quarters	DC	ABP: Last 4 completed quarters
GA	ABP: Last 4 completed quarters	HI	ABP: Last 4 completed quarters
ID	ABP: Last 4 completed quarters	IL	APB: Last 4 completed quarters
	EBP: An individual who experienced a temporary total disability may elect a BP of the first 4 of the last 5 completed quarters preceding the disability if the individual filed a claim within 3 years of the disability and no later than 6 months after the end of the disability		EBP: BP extended up to 1 year if the individual received temporary total disability under a workers' compensation act or occupational diseases act
IN	EBP: Up to 4 quarters preceding the last day the individual was able to work	IA	ABP: Last 4 completed quarters
			EBP: BP extended 3 or more quarters if the individual received workers' compensation or weekly indemnity insurance benefits for 3 or more quarters

MONETARY ENTITLEMENT

TABLE 3-1: STATES WITH ALTERNATIVE AND/OR EXTENDED BASE-PERIODS

KS	ABP: Last 4 completed quarters	KY	EBP: BP extended up to 4 quarters if an individual, due to job-related injury or who has received workers' compensation, files a UI claim within 4 weeks after having last received workers' Compensation
	EBP: Last 4 completed quarters preceding the date of qualifying injury		
ME	ABP: Last 4 completed quarters	MD	ABP: Last 4 completed quarters
	EBP: BP extended up to 4 quarters if 1 quarter has been used in a previous determination, extend the BY up to 1 week if there would otherwise be overlapping of the same quarter in 2 consecutive BPs		
MA	ABP: Last 3 quarters, plus any weeks of work in quarter in which claim is filed; individual may also elect to use this ABP if it results in a 10% or more increase in WBA	MI	ABP: Last 4 completed quarters if individual fails to meet qualifying wage requirements
	EBP: BP extended to 52 weeks if individual received compensation for temporary total disability under a workers' compensation law for more than 7 weeks in BP		
MN	ABP: First 4 of last 5 completed quarters ¹	MT	ABP: Last 4 completed quarters
	EBP: Up to 4 quarters depending on length of time an individual received compensation for temporary disability under a workers' compensation law		EBP: Up to 4 quarters preceding the disability if the claim was filed within 24 months from the date of the individual's disability
NE	ABP: Last 4 completed quarters	NV	ABP: Last 4 completed quarters
			EBP: Last 4 quarters preceding BY if 1 quarter has been used in a previous determination; extend the BY up to 1 week if there would otherwise be overlapping of the same quarter in 2 consecutive BPs
NH	ABP: Last 4 completed quarters	NJ	ABP: BP may be one of two alternatives: 1) last 4 completed quarters or 2) last 3 completed quarters, plus any weeks of work in quarter in which claim is filed
NM	ABP: Last 4 completed quarters	NY	ABP: Last 4 completed quarters
NC	ABP: Last 4 completed quarters	OH	ABP: Last 4 completed quarters
	EBP: Up to 4 quarters, if individual has insufficient wages to establish a claim because of a job-related injury for which the individual received workers' compensation		
OK	ABP: Last 4 completed quarters	OR	ABP: Last 4 completed quarters
	EBP: 4 quarters prior to regular BP		EBP: BP extended up to 4 quarters if the individual is disabled for the majority of a quarter; if the individual received workers' compensation, the base year can be extended up to 4 quarters preceding the illness or injury
PA	EBP: Last 4 completed quarters immediately preceding the date of the injury if the individual was eligible for workers' compensation during the individual's current BP	PR	ABP: Last 4 completed quarters
RI	ABP: Last 4 completed quarters	SC	ABP: Last 4 completed quarters
	EBP: Individual who received workers' compensation and has requested reinstatement to a previous position that no longer exists is eligible to have BP determined as of the date of the work-related injury		

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TABLE 3-1: STATES WITH ALTERNATIVE AND/OR EXTENDED BASE-PERIODS

SD	ABP: Last 4 completed quarters	TN	EBP: Individual who received temporary total disability payments under workers' compensation law may use a BP of the last 4 completed quarters preceding the disability
	EBP: Individual who received temporary total disability payments under workers' compensation law may use a BP of the first 4 of the last 5 completed quarters preceding the disability if a claim is filed within 24 months of the date the disability occurred		
TX	EBP: If an initial claim is filed within 24 months from the date an individual's illness or injury began or occurred, the BP will be the first 4 of the last 5 completed quarters preceding the illness or injury	UT	ABP: Last 4 completed quarters
			EBP: First 4 of last 5 completed quarters prior to date of illness/injury; individual must have received temporary disability payments during normal BP, filed initial claim no later than 90 days after release to work and within 36 months of the date the injury/illness occurred
VA	ABP: Last 4 completed quarters	VI	ABP: Last 4 completed quarters
VT	ABP: One of two alternatives: 1) last 4 quarters or, if still ineligible 2) last 3 quarters plus any weeks of work in quarter in which claim is filed	WA	ABP: Last 4 completed quarters
WV	ABP: Last 4 completed quarters	WI	ABP: Last 4 completed quarters
WY	EBP: An individual who experienced a temporary total disability under workers' compensation may elect a BP of the last 4 completed quarters preceding the date of injury if the individual filed a claim within 3 years of the date of injury and no later than 60 days after notice of the end of the disability		

¹ If the claim has an effective date during the month immediately following the last completed calendar quarter, the base-period is the first 4 of the last 5 completed calendar quarters; however, the first 4 of the last 5 completed calendar quarters must be used if the individual has more wage credits in those quarters than in the last 4 completed quarters.

QUALIFYING WAGES OR EMPLOYMENT—Within the base-period, all states require an individual to have earned a certain amount of wages, worked for a certain period of time, or both, to be monetarily eligible to receive benefits.

Most individuals qualify for benefits based on employment and wages in a single state. However, some individuals work in more than one state and may not have sufficient employment and wages in a single state to establish monetary eligibility. Additionally, some individuals could qualify for a higher weekly benefit amount if wages from multiple states are considered. In both of these situations, individuals may file a combined wage claim (CWC). In a CWC, wages and length of employment from multiple states may be combined in order to establish monetary eligibility or to increase a weekly benefit amount. The individual with wages in more than one state may file the claim in either state. Because of the potential of establishing more than one benefit year in more than one state, federal regulations stipulate that employment and wages transferred from one state to a second state for use in establishing a CWC cannot be used again to establish monetary eligibility on a different benefit year.

Methods of Qualifying—The methods that states use to determine monetary eligibility vary greatly and generally include one or more of the following methods: multiple of high-quarter wages, multiple of weekly benefit amount, flat qualifying amount, and weeks/hours of employment.

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Multiple of High-Quarter Wages—Individuals must earn a certain dollar amount in the quarter of their base-period with the highest earnings and earn total base-period wages that are a multiple of the high-quarter wages (typically 1½). For example, if an individual earns \$5,000 in the high-quarter, the individual must earn another \$2,500 in the rest of the base-period so that total base-period wages equal \$7,500.

Multiple of Weekly Benefit Amount—The state agency will first compute the individual’s weekly benefit amount. See Table 3-5, Weekly Benefit Amounts. During the base period, the individual must have earned an amount equal to or greater than a specified multiple of the weekly benefit amount in order to establish monetary eligibility. For example, if an individual’s weekly benefit amount is \$100 and the state requires base-period earnings equal to 40 times the weekly benefit amount, the individual will need earnings of \$4,000 during the base period to qualify. Under this method, most states also require the individual to have earned wages in at

least two base-period quarters. Additionally, some states have weighted schedules that require varying multiples for varying weekly benefits.

Flat Qualifying Amount—Under this method, individuals must earn a specified dollar amount of total wages during the base period.

Weeks/Hours of Employment—Under this method, individuals must work a specified number of weeks or hours at a certain wage rate during the base-period.

The following table provides information on the qualifying formulas for each state. The columns under “Minimum Wages Needed to Qualify” are calculated based on the assumption that an individual earned a consistent amount of wages each quarter of their base period.

TABLE 3-2: BASE-PERIOD WAGE AND EMPLOYMENT REQUIREMENTS FOR BENEFITS			
State	Qualifying Formula: Wages or Employment	Minimum Wages Needed to Qualify:	
		High-Quarter	Base-Period
AL	1½ x HQW in BP	N/A	>\$2,314 in 2 HQs
AK	\$2,500 flat amount and wages in 2 quarters of BP, at least \$250 outside HQ	N/A	\$2,500
AZ	1½ x HQW in BP and 390 x minimum wage in effect (\$5,402) in one quarter Alternative: Wages in 2 quarters of BP, with wages in 1 quarter sufficient to qualify for the maximum WBA, and total BPW ≥ the taxable wage base	\$5,402	\$8,103
AR	35 x WBA in BP and wages in 2 quarters of BP	N/A	\$2,835
CA	\$1,300 in HQ Alternative: \$900 in HQ with BPW = 1¼ x HQ	\$900	\$1,125
CO	40 x WBA or \$2,500 in BP, whichever is greater	\$1,084 in 2 HQs	\$2,500
CT	40 x WBA in BP	N/A	\$600
DE	36 x WBA in BP Alternative: If (36 x WBA) - BPW ≤ \$180, eligible for reduced WBA	N/A	\$720
DC	1½ x HQW in BP or within \$70 of meeting the 1½ HQW requirement, \$1,950 in 2 quarters, and \$1,300 in 1 quarter	\$1,300	\$1,950 in 2 HQs
FL	1½ x HQW in BP; minimum of \$3,400 in BP	N/A	\$3,400
GA	Wages in 2 quarters and 150% x HQW Alternative: HQW divided by 21 for WBA and total earnings in 2 quarters totaling at least 40 x WBA	\$1,155	\$2,200 in 2 HQs

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TABLE 3-2: BASE-PERIOD WAGE AND EMPLOYMENT REQUIREMENTS FOR BENEFITS			
State	Qualifying Formula: Wages or Employment	Minimum Wages Needed to Qualify:	
		High-Quarter	Base-Period
HI	26 x WBA in BP and wages in 2 quarters	N/A	\$130
ID	1¼ x HQW in BP and \$1,872 in one quarter	\$1,872	\$2,340
IL	\$1,600 flat amount with \$440 outside HQ	N/A	\$1,600
IN	1½ x HQW totaling at least \$2,500 in last 2 quarters; not less than \$4,200	N/A	\$4,200
IA	1¼ x HQW in BP, 3.5% of the statewide AAW in HQ, and ½ HQW in quarter that is not the HQ	\$1,890	\$2,840
KS	30 x WBA in BP and wages in 2 quarters	N/A	\$4,200
KY	1½ x HQW in BP, 8 x WBA in last 2 quarters of BP, \$1,500 in a quarter	N/A	\$3,230
LA	\$1,200 in total BPW, wages in at least two quarters, 1½ x HQW in BP	\$800	\$1,200
ME	2 x AWW in each of 2 different quarters and total wages of 6 x AWW in BP	\$2,072 in each of 2 quarters	\$6,216
MD	1½ x HQW in BP, >\$1,175 in HQ, and \$1,800 BP Alternative: eligibility for a lower WBA can be established if BP wages meet a specified amount on the wage schedule	>\$1,175	\$1,800
MA	30 x WBA in BP and \$5,700 minimum in BP	N/A	\$5,700
MI	1½ x HQW in BP, wages in at least 2 quarters, and at least \$3,919 in HQ Alternative: BPW equal to 20 times the state AWW and wages in 2 quarters	\$3,919	\$5,879
MN	5.3 percent of state AAW rounded to the lower \$100	N/A	\$3,500
MS	40 x WBA in BP, 26 x minimum WBA in HQ and wages in 2 quarters	\$780	\$1,200
MO	1½ x HQW in BP and \$1,500 in one quarter Alternative: wages in 2 quarters and BPW of 1½ x maximum taxable wage base for that year	\$1,500	\$2,250
MT	1½ x HQW in BP with total BP wages ≥7% of the AAW Alternative: total BPW ≥ 50% of AAW	\$2,225	\$3,337
NE	\$4,891 in BP, \$1,850 in HQ, \$800 in another quarter	\$1,850	\$4,891
NV	1½ x HQW in BP and \$400 in HQ Alternative: wages in 3 of the 4 quarters in the BP and \$400 in HQ	\$400	\$600
NH	\$1,400 in each of 2 quarters	\$1,400	\$2,800
NJ	20 weeks employment at 20 x State hourly minimum wage Alternative: 1,000 times the state minimum hourly wage (total of \$8,500)	N/A	\$5,200
NM	\$2,454.21 in BP and wages in 2 quarters	N/A	\$2,454.21
NY	1½ x HQW in BP; H2QW equal to 221 x state minimum wage, rounded to the next lower \$100 increment	\$3,100	\$4,650
NC	6 x AWW in BP and wages in last 2 quarters of BP	N/A	\$780 in last 2 qtrs
ND	1½ x HQW in BP and wages in 2 quarters	N/A	\$2,795 in 2 qtrs
OH	20 weeks employment with wages averaging at least 27.5% of the state AWW in BP and wages in 2 quarters	N/A	\$5,220
OK	\$1,500 minimum and 1½ x HQW in BP Alternative: \$24,800 in BP (100% state taxable wage base)	N/A	\$1,500

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TABLE 3-2: BASE-PERIOD WAGE AND EMPLOYMENT REQUIREMENTS FOR BENEFITS			
State	Qualifying Formula: Wages or Employment	Minimum Wages Needed to Qualify:	
		High-Quarter	Base-Period
OR	\$1,000 minimum and 1½ x HQW in BP Alternative: 500 hours of employment in BP	\$667	\$1,000
PA	\$1,688 in HQ, minimum \$2,718 in BP, at least 37% BPW outside of HQ, and 18 credit weeks in BP	\$1,688	\$2,718
PR	40 x WBA in BP and wages in 2 quarters Alternative: If fail to meet qualifying requirement for WBA computed on HQW but do meet qualifying requirement for next lower bracket, eligible for lower WBA, unlimited step-down provision; PR has a flat qualifying requirement for agricultural workers; individual's annual salary is used for agricultural workers	\$660	\$2,400
RI	1½ x HQW in BP and 200 x minimum hourly wage in 1 quarter and at least 400 x the minimum hourly wage in BP Alternative: \$1,200 x minimum hourly wage in BP	\$2,300	\$4,600
SC	1½ x HQW in BP and \$4,455 BPW and \$1,092 HQW	\$1,092	\$4,455
SD	\$728 in HQ and 20 x WBA outside HQ	\$728	\$1,288
TN	40 x WBA, \$780.01 average wages in highest 2 quarters in BP, and wages outside of HQ are lesser of 6 x WBA or \$900	Avg \$780.01 in highest 2 qtrs	>\$1,560 in 2 HQs
TX	37 x WBA in BP and wages in 2 quarters	N/A	\$2,664
UT	\$4,800 minimum and 1½ x HQW in BP (BPW must be 8% of state average fiscal year wages in BP, rounded to the higher \$100)	\$3,200	\$4,800
VT	1.4 x HQW in BP and \$2,999 in HQ (HQW will be adjusted by a percentage increase equal to the percentage increase in the state minimum wage for the prior year)	\$2,999	\$4,199
VA	\$3,000 in 2 highest quarters of BP	N/A	\$3,000 in 2 HQs
VI	1½ x HQW in BP and \$858 in HQ Alternative: \$858 in HQW and 39 x WBA in BP	\$858	\$1,287
WA	680 hours employment in BP and wages in BP or alternate BP	N/A	N/A
WV	\$2,200 flat amount and wages in 2 quarters	N/A	\$2,200
WI	35 x WBA in BP, \$1,350 in HQ, and 4 x WBA outside HQ and wages in at least 2 quarters	\$1,350	\$1,890
WY	1.4 x HQW in BP (BPW must be ≥8% of statewide AAW rounded down to lower \$50 increment – minimum HQW requirement calculated by dividing BPW by 4 and rounded down to the lower \$50 increment)	\$1,000	\$4,200
GENERAL NOTE: Additional monetary requirements in some state laws result in minimum high-quarter and/or base-period wages that are higher than what the qualifying formula alone would require.			

BENEFIT YEARS—In most states a benefit year is a one-year, or 52-week, period during which an individual may receive unemployment insurance benefits and the benefit year begins the week the claim is filed. In all states, the beginning date of the benefit year depends on when an individual first files a “valid claim,” meaning the individual meets minimum wage and employment requirements as it pertains to the base-period of the claim. The following table identifies states in which the benefit year begins in a week other than the week a valid claim is filed.

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TABLE 3-3: WHEN BENEFIT YEAR BEGINS - OTHER THAN THE WEEK A FIRST CLAIM IS FILED

AR	Benefit year begins with the first day of the quarter in which a claim is first filed. As a result, the benefit “year” ranges from 40 to 52 weeks.
NY	Benefit year consists of 52 weeks beginning the first Monday after filing a valid original claim.

QUALIFYING FOR A SECOND BENEFIT YEAR—Federal law requires that an individual must have worked since the beginning of one benefit year in order to qualify for benefits in the next benefit year. In many states, the amount an individual must earn during this intervening employment is a multiple of the weekly benefit amount. A few states require an individual to earn wages after the establishment of the original benefit year that are sufficient to meet the minimum qualifying requirement.

In some states, lag wages—wages earned after the prior claim’s base period and before the establishment of the prior claim’s benefit year—may be used to assist a claimant with qualifying for a second benefit year. In order to use lag wages to assist with establishing monetary eligibility, the individual must have worked since the beginning of their previous benefit year.

**TABLE 3-4: WAGES NEEDED TO ESTABLISH NEW BENEFIT YEAR
(AMOUNT TIMES WBA UNLESS INDICATED)**

State	Subsequent to Beginning of Preceding Benefit Year	Subsequent to Date of Last Valid Claim	Wages Must Be in Insured Work	State	Subsequent to Beginning of Preceding Benefit Year	Subsequent to Date of Last Valid Claim	Wages Must Be in Insured Work
AL	8		X	AK	8		
AZ	8			AR	10		X
CA		Qualifying wages		CO	\$2,000		
CT	5 x WBA or \$300, whichever is greater		X	DE		10	X
DC	10			FL	3		
GA	10		X	HI	5		X
ID	6 x WBA			IL	3		
IN	8		X	IA	8		X
KS	8		X	KY	5		
LA	6 x WBA; or 3/13th of HQW, whichever is less		X	ME	8		X
MD	10		X	MA	3		
MI	5			MN	5.3% AAW		X
MS	8		X	MO		5 x WBA; 10 x WBA in non-covered work	X
MT	6 x WBA; or 3/13th of HQW, whichever is less		X	NE		Wages in insured work at least 6 x WBA	X

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**TABLE 3-4: WAGES NEEDED TO ESTABLISH NEW BENEFIT YEAR
(AMOUNT TIMES WBA UNLESS INDICATED)**

State	Subsequent to Beginning of Preceding Benefit Year	Subsequent to Date of Last Valid Claim	Wages Must Be in Insured Work	State	Subsequent to Beginning of Preceding Benefit Year	Subsequent to Date of Last Valid Claim	Wages Must Be in Insured Work
NV	3			NH	\$700 during or subsequent to benefit year		X
NJ	4 weeks of employment and at least 6 x WBA in wages			NM	5		
NY	10			NC	10		X
ND		10 ¹	X	OH	3 x AWW and covered employment in 6 weeks		X
OK	10		X	OR	6		X
PA	6			PR	3 x WBA in 1 CQ; but not < \$50		X
RI	80 x the minimum hourly wage		X	SC	8		Insured work; must be with a single employer
SD	4		X	TN	5		X
TX	6			UT	6		X
VT	4		X	VA	30 days or 240 hours of work ²		X
VI	6			WA	6		
WV	8		X	WI	8		X
WY	8						

¹ Does not apply to employment by a partnership, corporation, or limited liability company if, at the time claim is filed, ownership interest has been ceded.

² Must be with one employer.

WEEKLY BENEFIT AMOUNT (WBA)

As part of calculating an individual's monetary eligibility, the state must determine the weekly benefit amount, that is, the amount payable for a week of total unemployment. UI is intended to provide a partial wage replacement, and an individual's weekly benefit amount will depend on the individual's prior work history. Some states replace approximately 50 percent of individuals' lost wages up to a certain limit (generally some percentage of the average weekly wage in the state). As a result of this cap, states tend to replace income at a higher percentage for low-wage earners than they do for high-wage earners. Several states also provide dependents' allowances to provide an additional payment based on the individual having dependents. All states round weekly benefits to an even dollar amount.

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States determine eligibility for benefits weekly. Generally, a week of unemployment is considered to be Sunday through Saturday.

METHODS OF COMPUTING WEEKLY BENEFITS—As with qualifying wages, states utilize a variety of methods to determine an individual’s weekly benefit amount.

High-Quarter Method (HQ)—The weekly benefit amount is calculated by looking at wages in the quarter with the highest earnings in the base period. This quarter is viewed as the period most closely reflecting total employment for the individual during the base-period. By dividing this amount by 13 (the number of weeks in a calendar quarter) the average weekly wage is calculated. Based on the state’s wage replacement rate, the weekly wage is then divided and the weekly benefit amount is calculated. For example, an individual who earns \$2,600 in the high-quarter has an average weekly wage of \$200 a week (\$2,600 divided by 13). If the state replaces $\frac{1}{2}$ of the average weekly earnings, the weekly benefit amount is \$100. To simplify the calculations, states will use the “overall” multiple of the high-quarter wages to calculate the weekly benefit amount. In this example, it would be $\frac{1}{26}$ of the high-quarter wages ($\frac{1}{13}$ multiplied by .5). The most common multiple used by states is $\frac{1}{26}$ of the high-quarter wages. Alternatively, states that use this method may calculate the benefit as a percentage of high-quarter wages. Because even the quarter of highest earnings may include some periods of unemployment, some states use a fraction to generate a higher weekly benefit amount (e.g., $\frac{1}{23}$). Some states use a weighted schedule, which gives a greater proportion of the high-quarter wages to lower-paid individuals than to those earning more.

Multi-Quarter Method (MQ)—The weekly benefit amount is calculated as a multiple of the total or average quarterly wages paid across multiple quarters. This approach is viewed as being more likely to reflect an individual’s usual employment pattern since it surveys a greater period of time rather than just focusing on the quarter with highest earnings.

Annual-Wage Method (AW)—The weekly benefit is calculated as a percentage of annual wages in the base-period. This approach reflects the view that annual wages determine the individual’s standard of living. Some states use a weighted schedule, which gives a larger proportion of annual wages to lower-paid individuals to determine their weekly benefit amount, while other states use a flat percentage.

Weekly-Wage Method (WW)—The weekly benefit is calculated as a percentage of the individual’s average weekly wages in the base-period.

The following table provides information on how states calculate weekly benefit amounts, as well as the minimum and maximum amounts available in that respective states. Additionally, and assuming consistent wage earnings throughout the claimant’s base-period, the table provides the wages required to be eligible for the maximum weekly benefit amount in that respective state.

TABLE 3-5: WEEKLY BENEFIT AMOUNTS						
State	Method of Calculating and Formula	Rounding to	Weekly Benefit Amount		Minimum Wages Required for Maximum WBA	
			Minimum ¹	Maximum ¹	High-Quarter	Base-Period
AL	MQ 1/26 of average wages in 2 high-quarters	Higher \$	\$45	\$275	N/A	\$14,274 in 2 quarters
AK	AW 0.9% - 2.2% BP wages + DA	Nearest \$	\$56 - \$128	\$370 - \$442	N/A	\$42,000
AZ	HQ 1/25 HWQ	Nearest \$	\$216	\$320	\$8,000	\$12,000

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TABLE 3-5: WEEKLY BENEFIT AMOUNTS

State	Method of Calculating and Formula	Rounding to	Weekly Benefit Amount		Minimum Wages Required for Maximum WBA	
			Minimum ¹	Maximum ¹	High-Quarter	Base-Period
AR	MQ 1/26 of average wages in 4 quarters	Lower \$	\$81	\$451	N/A	\$46,904
CA	HQ 1/23-1/26 HQW (if HQW <\$1,833, see table in law; otherwise, 1/26 HQW)	Higher \$	\$40	\$450	>\$11,674	\$11,700
CO	HQ/WW Higher of: (1) 60% of 1/26 of 2 highest consecutive quarters, capped by 50% of average weekly earnings (low formula); or (2) 50% of 1/52 BP earnings, capped by 55% of average weekly earnings (high formula)	Lower \$	\$25	\$675 (low formula)	\$14,625 (low formula)	\$29,250 in 2 quarters (low formula)
				\$742 (high formula)	N/A (high formula)	\$77,168 (high formula)
CT	MQ/HQ 1/26 of the average of the 2 HQs + DA; for construction workers, 1/26 of HQW + DA	Lower \$	\$15 - \$30	\$703 - \$778	\$18,278 in each of 2 quarters	\$36,556 in 2 quarters
DE	MQ 1/46 of wages earned in highest 2 quarters	Lower \$	\$20	\$400	N/A	\$18,400 in 2 quarters
DC	HQ 1/26 HQW	Lower \$	\$50	\$444	\$11,544	\$17,316
FL	HQ 1/26 HQW	Lower \$	\$32	\$275	\$7,150	\$10,725
GA	MQ 1/42 wages in 2 HQs; computed as 1/21 of HQW when alternative qualifying wages are used (Note: If individual would qualify for \$27 - \$55, the claimant's WBA is \$55.)	Lower \$	\$55	\$365	N/A	\$15,330 in 2 quarters
HI	HQ 1/21 HQW	Higher \$	\$5	\$763	\$16,023	\$19,838
ID	HQ 1/26 HQW	Lower \$	\$72	\$532	\$13,832	\$17,290
IL	MQ 47% of the claimant's wages in highest 2 quarters divided by 26 + DA	Higher \$	\$51 - \$77	\$578 - \$787	N/A	\$31,915 in 2 quarters
IN	WW 47% of AWW	Lower \$	\$37	\$390	N/A	\$43,149
IA	HQ 1/19 HQW (4 or more dependents) - 1/23 HQW (no dependents)	Lower \$	\$82 - \$99	\$551-\$676	\$12,673	\$19,010
KS	HQ 4.25% HQW	Lower \$	\$140	\$560	\$13,177	\$16,800
KY	AW 1.1923% BPW	Nearest \$	\$39	\$626	N/A	\$52,462

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TABLE 3-5: WEEKLY BENEFIT AMOUNTS

State	Method of Calculating and Formula	Rounding to	Weekly Benefit Amount		Minimum Wages Required for Maximum WBA	
			Minimum ¹	Maximum ¹	High-Quarter	Base-Period
LA ²	MQ 1/25 of the average wages in 4 quarters of BP x 1.05 x a multiple ranging from 1.03 to 1.32	Lower \$	\$35	\$275 to \$284	N/A	\$27,500 to \$28,400
ME	MQ 1/22 of the average of the 2 HQs + DA (see table in law)	Lower \$	\$94 - \$164	\$538 - \$941	N/A	\$23,672 in 2 quarters
MD	HQ 1/24 HQW + DA (see table in law)	Higher \$	\$50 - \$90	\$430 same with or without DA	>\$10,296	\$15,480
MA	MQ 50% of 1/26 of total wages in 2 HQs up to 57.5% of state AWW	Lower \$	\$55 - \$87	\$1,015- 1,522	N/A	\$52,780 in 2 high-quarters
MI	HQ 4.1% HQW + DA	Lower \$	\$160 - \$190	\$362 same with or without DA	\$8,830	\$13,245
MN	HQ/WW The higher of 50% of 1/52 BPW up to 66⅔% of the state AWW, or 50% of 1/13 HQ up to 43% of the state's AWW	Lower \$	\$33	\$552 (based on HQW)	\$14,352 (based on HQW)	\$14,352 (based on HQW)
				\$857 (based on BPW)	N/A (based on BPW)	\$89,128 (based on BPW)
MS	HQ 1/26 HQW	Lower \$	\$30	\$235	\$6,110	\$9,400
MO	MQ 4.0% of the average of the 2 HQs	Lower \$	\$35	\$320	N/A	\$15,750-in 2 quarters
MT	AW/MQ 1.0% of BPW or 1.9% of wages in the 2 HQs	Lower \$	\$194	\$657	N/A	\$34,579 in 2 quarters
NE	WW 1/2 of AWW, may not exceed 1/2 of state AWW	Lower even \$	\$70	\$514	\$13,364	\$14,164
NV	HQ 1/25 HQW	Lower \$	\$16	\$562	\$14,050	\$21,075
NH	AW 1.0% - 1.1% of BPW (see table in law)	Nearest \$	\$32	\$427	N/A	\$41,500
NJ	WW 60% (base weeks' wages/number of base weeks) + DA	Lower \$	\$156 - \$179	\$830 same with or without DA	N/A	\$27,667 in 20 weeks
NM	WW 53½% of AWW in HQ + DA; wages in 2 quarters of BP	Lower \$	\$101- \$151	\$542 - \$592	\$13,171	\$13,172

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TABLE 3-5: WEEKLY BENEFIT AMOUNTS

State	Method of Calculating and Formula	Rounding to	Weekly Benefit Amount		Minimum Wages Required for Maximum WBA	
			Minimum ¹	Maximum ¹	High-Quarter	Base-Period
NY	HQ/MQ Wages in 4 quarters - 1/26 HQW or 1/25 if HQW ≤\$3,575 Wages in 2 or 3 quarters - 1/26 average of the highest 2 quarters, unless the HQW is ≤\$4,000 but >\$3,575 then 1/26 HQW, and if HQW is ≤\$3,575 then 1/25 HQW	Lower \$	\$124	\$504	\$13,104	\$19,656
NC	MQ 1/52 of last 2 quarters	Lower \$	\$15	\$350	N/A	\$18,200 in last 2 quarters
ND	MQ 1/65 of (total wages earned in highest 2 quarters and 1/2 of total wages in third highest quarter)	Lower \$	\$43	\$673	N/A	\$43,735 in 2.5 quarters
OH	WW 50% (wages in qualified weeks in BP divided by number of such weeks) + DA	Lower \$	\$157	\$561- \$757	N/A	\$22,440 in 20 weeks
OK	HQ 1/23 HQW	Lower \$	\$16	\$493	\$11,339	\$17,009
OR	AW 1.25% BP wages	Lower \$	\$183	\$783	N/A	\$62,640
PA	HQ (4% HQW + 2) x 0.98 + DA (see table in law)	Lower \$	\$68 - \$76	\$605 - \$613	\$15,388	\$23,949
PR	HQ 1/11 - 1/26 HQW	Lower \$	\$60	\$240	\$6,240	\$9,600
RI	MQ 3.85% of average of 2 highest quarter wages + DA	Lower \$	\$66 - \$116	\$680 - \$850	N/A	\$35,326 2 quarters
SC	WW 50% AWW in HQ	Lower \$	\$42	\$326	\$8,476	\$12,714
SD	HQ 1/26 HQW	Lower \$	\$28	\$487	\$12,662	\$22,402
TN	MQ 1/26 of average of 2 HQs (see table in law)	Lower \$	\$30	\$275	N/A	>\$14,300 in 2 quarters
TX	HQ 1/25 HQW	Nearest \$	\$72	\$563	\$14,063	\$20,813
UT	HQ 1/26 HQW minus \$5	Lower \$	\$41	\$712	\$18,642	\$27,963
VT	MQ Wages in the 2 highest quarters divided by 45	Lower \$	\$80	\$668	N/A	\$30,060 in 2 quarters
VA	MQ 1/50 of 2 HQs (see table in law)	Lower \$	\$60	\$378	N/A	>\$18,900 in 2 quarters
VI	HQ 1/26 HQW	Lower \$	\$33	\$629	\$16,354	\$24,531

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TABLE 3-5: WEEKLY BENEFIT AMOUNTS

State	Method of Calculating and Formula	Rounding to	Weekly Benefit Amount		Minimum Wages Required for Maximum WBA	
			Minimum ¹	Maximum ¹	High-Quarter	Base-Period
WA	MQ 3.85% of average of 2 HQs	Lower \$	\$317	\$999	N/A	\$51,897 in 2 quarters
WV	AW 55% of 1/52 of median wages in individual's wage class (see table in law)	Lower \$	\$24	\$630	N/A	\$59,500
WI	HQ 4.0% HQW	Lower \$	\$54	\$370	\$9,250	\$12,950
WY	HQ 4.0% HQW	Lower \$	\$40	\$560	\$14,000	\$19,600
KEY: HQ = High-Quarter Formula HQW = High-Quarter Wage MQ = Multi-Quarter Formula AW = Annual Wage Formula WW = Average Weekly Wage Formula DA = Dependents' Allowances GENERAL NOTE: Because the high-quarter and base-period wage requirements for the minimum weekly benefit amount are the same as the wage and employment requirements to qualify for benefits, they are not repeated in this table. (See Table 3-2, Base Period Wage and Employment Requirements for Benefits.) Additionally, in states where the benefit entitlement is calculated using multi-quarter, annual wage, or average weekly wage formulas, the high-quarter cell is shown as N/A as no specific level of wages is required in the high-quarter pursuant to state law. ¹ When 2 WBAs are listed, higher figure includes DA. Higher figure for minimum and maximum WBAs includes DA for maximum number of dependents. Specific detail about state DAs are in Table 3-9, Definition of Dependent. ² Depending upon the procedure in place each year, different benefit multipliers may be utilized. As a result, the maximum weekly benefit amount varies from year to year, and similarly, the amount of BPWs necessary to receive the maximum weekly benefit amount fluctuates. See the most recent Significant Provisions of State UI Laws for a point-in-time reference https://oui.doleta.gov/unemploy/statelaws.asp#RecentSigProLaws.						

AUTOMATIC ADJUSTMENTS TO WEEKLY BENEFIT AMOUNTS—Many states link their maximum weekly benefit amount with the state's average weekly wage, thus providing for an automatic adjustment as overall wages change across time. The maximum weekly benefit amount is usually indexed to be more than 50 percent of the average weekly wage in covered employment within the state during a recent one-year period. The minimum weekly benefit amount is specified in the law in most states. However, some state laws link the minimum weekly benefit amount with the states' average weekly wage as well. The following table includes states with automatic adjustments to benefit amounts.

TABLE 3-6: STATES WITH AUTOMATIC ADJUSTMENT TO BENEFIT AMOUNTS

TABLE 3-6: STATES WITH AUTOMATIC ADJUSTMENT TO BENEFIT AMOUNTS								
State	Method of Computation					Establishing the State's Maximum and Minimum WBA as a Percentage of State AWW		Effective Date of New Amounts
	Annually as % of AWW in Covered Employment in:			Semiannually as % of AWW in Covered Employment in:				
	Preced- ing CY	12 Months Ending March 31	12 Months Ending June 30	12 Months Ending 6 Months Before Effective Date	All Industries in State	Maximum	Minimum	
AR	X					66⅔% (high formula)	12% (low formula)	July 1
CO					X	55%		July 1

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TABLE 3-6: STATES WITH AUTOMATIC ADJUSTMENT TO BENEFIT AMOUNTS

State	Method of Computation					Establishing the State's Maximum and Minimum WBA as a Percentage of State AWW		Effective Date of New Amounts
	Annually as % of AWW in Covered Employment in:			Semiannually as % of AWW in Covered Employment in:				
	Preced- ing CY	12 Months Ending March 31	12 Months Ending June 30	12 Months Ending 6 Months Before Effective Date	All Industries in State	Maximum	Minimum	
CT			X			50%		1 st Sunday in October
DC		X				66⅔%		January 1
HI			X			70%		January 1
ID	X					Percentage varies (52% - 60%) depending upon the base tax rate in a given year		January 1
IL	X					47%; for claimants with dependents, maximum is limited to 65.2% of state's AWW, which is based on percentage changes from year to year		January 1
IA	X					53% for claimants with no dependents; for claimants with dependents, ranges from 55% to 65%		1 st Sunday in July
KS	X					60%	25% of max WBA	July 1
KY	X					62%; cannot increase in any year when tax schedule increases from previous year (year-to-year increases limited depending on fund balance)		July 1
LA		X				66⅔%		September 1
ME	X					52%		June 1
MA		X				57½%		1 st Sunday in October
MN	X					Higher of 50% of the individual's AWW in the BP to a maximum of 66⅔% of the state AWW; or 50% of the individual's AWW during the HQ to a maximum of 43% of the state AWW		Last Sunday in October
MT	X					67½%	20%	July 1

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TABLE 3-6: STATES WITH AUTOMATIC ADJUSTMENT TO BENEFIT AMOUNTS

State	Method of Computation					Establishing the State's Maximum and Minimum WBA as a Percentage of State AWW	Effective Date of New Amounts	
	Annually as % of AWW in Covered Employment in:			Semiannually as % of AWW in Covered Employment in:				
	Preced- ing CY	12 Months Ending March 31	12 Months Ending June 30	12 Months Ending 6 Months Before Effective Date	All Industries in State	Maximum		Minimum
NE	X					50% of the individual's AWW during the HQ to a maximum of 50% of state AWW		January 1
NV	X					50%		July 1
NJ	X					56⅔%		January 1
NM			X			53½%	10%	1 st Sunday in January
NC	X					66⅔%		August 1
ND	X					62%; 65% of state AWW if trust fund reserves on Oct. 1 are ≥ the required amount and the state's average contribution rate is < the nationwide average for the preceding year		1 st Sunday in July
OH			X			Percentage used is not specified in law		1 st Sunday in January
OK	X					The greater of \$197 or 60%, 57.7%, 55%, 52½% or 50% of state AWW of the second preceding CY, depending on the condition of the fund		January 1
OR	X					64%	15%	Week of July 4
PA			X ¹			66⅔%		January 1
PR	X					50%		July 1
RI	X					57.7%		July 1
SC	X					66⅔%		July 1
SD	X					50%		July 1
TX	X					47.6%	7.6%	October 1
UT			X			62½% minus \$5		January 1
VT	X					Percentage not specified by law		1 st Sunday in July

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TABLE 3-6: STATES WITH AUTOMATIC ADJUSTMENT TO BENEFIT AMOUNTS

TABLE 3-6: STATES WITH AUTOMATIC ADJUSTMENT TO BENEFIT AMOUNTS								
State	Method of Computation					Establishing the State’s Maximum and Minimum WBA as a Percentage of State AWW		Effective Date of New Amounts
	Annually as % of AWW in Covered Employment in:			Semiannually as % of AWW in Covered Employment in:				
	Preced- ing CY	12 Months Ending March 31	12 Months Ending June 30	12 Months Ending 6 Months Before Effective Date	All Industries in State	Maximum	Minimum	
VI			X			65%		January 1
WA	X					63%	15%	1 st Sunday in July
WV	X					66⅔%		July 1
WY	X					55%	4%	1 st Sunday in July

¹ State AWW computed using 36-month period.

WAITING PERIOD

In most states, individuals who are otherwise eligible for benefits must serve a waiting period of one week, often called a waiting week, before being able to receive benefits. During the waiting period, benefits are not payable. In most states, the waiting period requirement for weeks of partial unemployment is the same as for weeks of total unemployment.

The waiting period is served in, or with respect to, a particular benefit year. Special provisions may exist for successive benefit years. For example, if an individual, after intervening employment, has an additional spell of unemployment that continues beyond the end of the first benefit year, then the individual may not, depending on state law, have to serve another waiting week if monetarily eligible for benefits in the second year. The following table provides information about states' initial waiting periods.

TABLE 3-7: STATE INITIAL WAITING PERIODS

State	Duration ¹ (week)	Becomes Compensable After	May Be Waived Under These Circumstances
AL	1		
AK	1		
AZ	1		
AR	1		
CA	1 ²		During a state of war emergency or a state of emergency if compliance with the waiting period requirement would prevent, hinder, or delay the mitigation of the effects of a state of emergency (e.g., natural disaster)
CO	1		
CT	No waiting period		
DE	No waiting period		

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TABLE 3-7: STATE INITIAL WAITING PERIODS			
State	Duration ¹ (week)	Becomes Compensable After	May Be Waived Under These Circumstances
DC	1		
FL	1		
GA	No waiting period		
HI	1		
ID	1		
IL	1		
IN	1 ³		For individuals who become unemployed due to employer terminating business operations within the state, declaring bankruptcy, or initiating a workforce reduction pursuant to the federal WARN Act
IA	No waiting period		
KS	1		For individuals who become unemployed due to employer terminating business operations within the state, the employer declaring bankruptcy, or a workforce reduction that is subject to the federal WARN Act
KY	1	The remaining balance on claim is equal to or less than compensable amount for waiting week	
LA	1		
ME	1		
MD	No waiting period		
MA	1		No waivers though authority exists and has been used before
MI	No waiting period		
MN	1		If the individual would have been entitled to DUA but has established benefit account
MS	1		In counties or areas identified for individual assistance, if the President declares a major disaster in accordance with Stafford Act
MO	1	The remaining balance on claim is equal to or less than compensable amount for waiting week	
MT	1		
NE	1		
NV	1	Later of one week or when any issues preventing payment are resolved and initial payment made	Discretion of the Agency
NH	1		
NJ	No waiting period		
NM	1		Natural disaster, extended benefit program
NY	1		At the direction of the Governor
NC	1		
ND	1		

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TABLE 3-7: STATE INITIAL WAITING PERIODS			
State	Duration ¹ (week)	Becomes Compensable After	May Be Waived Under These Circumstances
OH	1		
OK	1		
OR	1		During a state of emergency declared by the Governor
PA	1		
PR	1		
RI	1		For individuals who become unemployed due to a natural disaster or state of emergency
SC	1		
SD	1		
TN	1	3 consecutive weeks of compensable unemployment immediately following a waiting period	
TX	1 ³	Receipt of benefits equaling 3 x WBA	Governor may waive for individuals unemployed as a direct result of a presidentially declared disaster provided the individual is eligible for regular UC and is not receiving DUA benefits for the period that includes the waiting period.
UT	1		If Department approval for training is granted for the first eligible week of the claim
VT	1		
VA	1		For an individual whose unemployment was caused by the employer terminating operations, closing its business, or declaring bankruptcy without paying the final wages earned; authorized by the Governor under an executive order
VI	1 ³		
WA	1		
WV	1		
WI	1		
WY	No waiting period		

¹ For total unemployment, partial unemployment, or in consecutive benefit years unless otherwise noted.

² One week waiting period is deferred if claimant is in continued claim status from a prior year's claim. The one-week waiting period must be served later in the new benefit year if there is an interruption of UI payments for one or more weeks. Also, the 1-week waiting period credit for the new benefit year may be served in the last week of the prior benefit year if the claim was exhausted prior to the last week of that benefit year.

³ No waiting period required for new/consecutive benefit year.

BENEFITS FOR PARTIAL UNEMPLOYMENT

A week of total unemployment is commonly defined as a week in which the individual performs no work and with which remuneration is not payable. In a few states, an individual is considered totally unemployed in a week even though certain small amounts of wages are earned.

Partial unemployment refers to circumstances where individuals have experienced a reduction in both hours and wages but continue to perform part-time work. Such individuals may be eligible for a partial weekly benefit amount as long as they meet all eligibility requirements. In most states, an individual is partially

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unemployed in a week of less than full-time work with earnings less than the weekly benefit amount. In some states, an individual is partially unemployed in a week of less than full-time work when earning less than a percentage or multiplier of the weekly benefit amount.

Generally, states reduce an individual's weekly benefit amount based upon the part-time earnings reported by the individual on their claim for benefits. The amount of that reduction depends on state law. All

states disregard some earnings for partially unemployed individuals in order to incentivize part-time or short-

term work, referred to as the "earnings disregard". Thus, a partially unemployed individual's weekly benefit will usually be the difference between their weekly earnings, reduced by the state's earnings disregard, and their weekly benefit amount.

Most state laws provide that the benefit for a week of partial unemployment will be rounded to the nearest or the lower dollar. For example, a state may calculate an individual's weekly benefit amount to be \$40 and the individual earns \$50.95 from part-time work during a given week. The state has an earnings disregard of \$30. The individual would receive a partial benefit of \$19 (\$50.95 part-time earnings minus \$30 earnings disregard equals \$20.95; \$40 weekly benefit amount minus \$20.95 earnings reduction equals \$19.05).

States usually provide individuals with information about their maximum amount of benefits or a maximum number of weeks that can be drawn throughout the benefit year. See Table 3-11, Maximum Benefit Entitlement. In states that calculate a maximum amount of benefits, a partially unemployed individual may draw benefits for a greater number of weeks than a totally unemployed individual, but at a reduced weekly benefit amount, provided the individual does not exceed their maximum benefit entitlement for the claim. The following table details states' definition of partial unemployment and each states' applicable earnings disregard.

TABLE 3-8: PARTIAL UNEMPLOYMENT AND EARNINGS DISREGARDED WHEN DETERMINING WEEKLY BENEFIT					
State	Definition of Partial Unemployment - Week of Less Than Full-Time Work if Earnings are Less Than:	Earnings Disregarded in Computing Weekly Benefit for Partial Unemployment	State	Definition of Partial Unemployment - Week of Less Than Full-Time Work if Earnings are Less Than:	Earnings Disregarded in Computing Weekly Benefit for Partial Unemployment
AL	WBA	$\frac{1}{3}$ WBA	AK	$1\frac{1}{3} \times \text{WBA} + \50	\$50 and $\frac{1}{4}$ wages over \$50
AZ	WBA	\$160.49	AR	WBA + 40% WBA	40% WBA
CA	WBA	Greater of \$25 or $\frac{1}{4}$ of wages	CO	WBA	$\frac{1}{2}$ WBA
CT	$1\frac{1}{2}$ + basic WBA	$\frac{1}{3}$ wages; includes holiday pay in the remuneration for determining partial benefits	DE	WBA + greater of \$10 or $\frac{1}{2}$ WBA	Greater of \$10 or $\frac{1}{2}$ WBA
DC	WBA + \$20	$\frac{1}{3}$ of wages + \$50	FL	WBA	8 x Federal hourly minimum wage
GA	WBA	\$150; excludes payments for jury service	HI	WBA	\$150
ID	$1\frac{1}{2}$ WBA	$\frac{1}{2}$ WBA	IL	WBA	$\frac{1}{2}$ WBA
IN	WBA	Greater of \$3 or 20% WBA from other than BP employers; excludes payments for jury service	IA	WBA + \$15	$\frac{1}{4}$ WBA; excludes payments for jury service

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TABLE 3-8: PARTIAL UNEMPLOYMENT AND EARNINGS DISREGARDED WHEN DETERMINING WEEKLY BENEFIT

State	Definition of Partial Unemployment - Week of Less Than Full-Time Work if Earnings are Less Than:	Earnings Disregarded in Computing Weekly Benefit for Partial Unemployment	State	Definition of Partial Unemployment - Week of Less Than Full-Time Work if Earnings are Less Than:	Earnings Disregarded in Computing Weekly Benefit for Partial Unemployment
KS	WBA	¼ WBA	KY	1¼ x WBA	20% wages
LA	WBA	Lesser of ½ WBA or \$50	ME	WBA + \$5	\$107
MD	Augmented WBA	\$50	MA	WBA	⅓ WBA; earnings plus WBA may not equal or exceed the individual's AWW
MI	1.5 x WBA	WBA reduced by 50¢ for every \$1 earned, and wages plus benefits cannot exceed 1.5 x WBA	MN	WBA	For each \$1 earned, WBA reduced by 50 cents; no deduction for jury pay and wages earned for services performed in National Guard and military reserve, and as a volunteer firefighter or in ambulance services
MS	WBA	\$40	MO	WBA + \$20 or 20%WBA, whichever is greater	\$20 or 20% WBA, whichever is greater; excludes termination pay, severance pay, and wages from service in the organized militia for training or authorized duty from benefit computation
MT	2 x WBA	¼ WBA	NE	WBA	¼ WBA
NV	WBA	⅓ wages	NH	WBA	30% WBA
NJ	WBA + greater of \$5 or 20% WBA	Greater of \$5 or 20% WBA	NM	WBA	20%WBA; excludes payments for jury service
NY	Up to 10 hours of work as long as earnings at or below WBA Max		NC	Week of less than 3 customary scheduled full-time days	20% WBA
ND	WBA	60% WBA	OH	WBA	20% WBA
OK	WBA + \$100	\$100	OR	WBA	Greater of \$147.50 or ⅓ WBA
PA	WBA + 40% WBA	Greater of \$21 or 30% WBA	PR	1½ x WBA; week in which wages or remuneration from self-employment are less than 1½ times claimant's WBA or the claimant performs no service for a working period of 32 hours or more in a week	WBA
RI ¹	Basic WBA	50% WBA	SC	WBA	¼ WBA
SD	WBA	¼ wages over \$25	TN	WBA	Greater of \$50 or ¼ WBA

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TABLE 3-8: PARTIAL UNEMPLOYMENT AND EARNINGS DISREGARDED WHEN DETERMINING WEEKLY BENEFIT

State	Definition of Partial Unemployment - Week of Less Than Full-Time Work if Earnings are Less Than:	Earnings Disregarded in Computing Weekly Benefit for Partial Unemployment	State	Definition of Partial Unemployment - Week of Less Than Full-Time Work if Earnings are Less Than:	Earnings Disregarded in Computing Weekly Benefit for Partial Unemployment
TX	WBA + greater of \$5 or ¼ WBA	Greater of \$5 or ¼ WBA	UT	WBA	30% WBA
VT	WBA + \$15 provided the claimant works less than 35 hours (35 hours is considered full-time employment)	½ of gross wages	VA	WBA	\$50
VI	1½ x WBA + \$15	¼ wages in excess of \$15	WA	1½ x WBA + \$5; weekly hours of work temporarily reduced by employer by no more than 60%	¼ wages over \$5
WV	WBA + \$61	\$60	WI	Any week the individual receives any wages under \$500 or performs services less than 32 hours; no individual may be eligible for partial benefits if the benefit payment is <\$5	\$30 plus 33% of wages in excess of \$30 (excludes wages received as a volunteer firefighter or voluntary medical technician from benefit computation)
WY	WBA	½ WBA			

¹ Special provision for totally unemployed individuals who have days of employment between the end of the waiting period and the beginning of the first compensable week, and also for those who return to work prior to the end of a compensable week, provided they have been in receipt of benefits for at least 2 successive weeks of total unemployment. For each day of unemployment in such week in which work is ordinarily performed in the individual's occupation, one-fifth of the weekly benefit is paid, up to four-fifths of the weekly rate.

DEPENDENTS' ALLOWANCES

Although wages earned during the base-period are the primary factor in determining the weekly benefit amount, some state laws provide for a dependents' allowance above and beyond the basic weekly benefit amount. The definition of dependent, for UI purposes, varies from state to state, as does the allowance granted. In general, a dependent must be wholly or mainly supported by the individual, living with the individual, or receiving regular support from the individual.

DEFINITION OF DEPENDENT—All states with dependents' allowances include children under a specified age. The intent is to include all children whom the individual is obligated to support. In most of these states, allowances may be paid on behalf of older children who are unable to work because of physical or mental disability. In some states, spouses, parents, or siblings may also be included in the definition. The following table outlines the states that have dependents' allowances and the definition of a dependent.

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TABLE 3-9: DEFINITION OF DEPENDENT

State	Dependent Child		Nonworking Dependent			Number of Dependents Fixed by BY	Maximum Number of Dependents
	Under 18 Unless Otherwise Noted ¹	Older Child Not Able to Work ¹	Spouse	Parent	Brother or Sister		
AK	Child must be unmarried; must have received more than half the cost of support from individual or be lawfully in the individual's custody at the time the individual claims the allowance ²	X ²					3
CT	21 if child is full-time student	X ³	X				5
IL	X ²	X ²	Spouse must be currently ineligible for benefits in the State because of insufficient BPW				1
IA	X ²	X ²	No dependency allowance paid for any week in which spouse earns more than \$120 in gross wages	X	X	X	4
ME	X ²	X ^{2, 3}	No dependency allowance paid for any week in which spouse is employed full time and is contributing to support of dependents				X ⁴
MD	X ²	X ²				X	5
MA ⁵	Child must be unmarried and, by interpretation, 24 if child is full-time student ²	X ^{2, 3}				X	X ⁴
MI	Must have received more than half the cost of support from individual for at least 90 consecutive days or for the duration of the parental relationship ²	X ^{2, 3}	X	X ⁶	X ⁷	X	5
NJ	19; child must be unmarried; 22 if child is full-time student ²	X ^{2, 3}	X			X	2 ⁴
NM	Child must also be unemancipated; child may be in legal custody of claimant pending adoption; court requires claimant to contribute to child's support and no one else is receiving benefits for that child						2

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TABLE 3-9: DEFINITION OF DEPENDENT

State	Dependent Child		Nonworking Dependent			Number of Dependents Fixed by BY	Maximum Number of Dependents
	Under 18 Unless Otherwise Noted ¹	Older Child Not Able to Work ¹	Spouse	Parent	Brother or Sister		
OH	Must have received more than half the cost of support from individual within 90 days prior to BYB (or duration of parental relationship, if less than 90 days)	X ²	May not be claimed as dependent if average weekly income is in excess of 25% of the claimant's AWW			X	3
PA		X	X			X	2
RI	X ²	X ²				X	5

¹ In all states except MA, includes stepchild by statute.
² AK, IL, IA, ME, MD, MI, NJ, OH, and RI - adopted child is included by statute; MA - adopted child is included by interpretation, and legal guardians are included by statute.
³ Full-time student included in CT, ME, MA, MI, and NJ.
⁴ The dependent allowance is capped at 50% of the individual's WBA.
⁵ Only dependents residing within the U.S. and its Territories and possessions.
⁶ Parents over 65 or permanently disabled from gainful employment.
⁷ Brother or sister under 18, orphaned, or whose living parents are dependents.

AMOUNT OF WEEKLY DEPENDENTS' ALLOWANCES—The dependents' allowance is ordinarily a fixed sum, and almost all states have a limit on the total amount of dependents' allowance payable in any week in terms of dollar amount, number of dependents, or percentage of weekly benefit amount. In almost all states, the number of dependents is fixed for the benefit year when the monetary determination on the claim is made. A few states permit dependents' allowances to be adjusted during the benefit year if an individual acquires additional dependents. In virtually all states, only one parent may draw allowances if both are receiving benefits simultaneously. Individuals who are eligible for partial UI benefits may draw the full dependents' allowance amount in addition to their partial weekly benefit amount in most of the states providing for these allowances.

TABLE 3-10: AMOUNT OF WEEKLY DEPENDENTS' ALLOWANCES

State	Weekly Allowance per Dependent	Weekly Dependents' Allowances Capped at:	Maximum Dependents' Allowance for Minimum Weekly Benefit	Maximum Dependents' Allowance for Maximum Weekly Benefit
AK	\$24	\$72	\$72	\$72
CT	\$15	Lesser of WBA or \$75	\$15	\$75
IL ¹	\$26 - \$209		\$26	\$209
IA	\$3 - \$17	Schedule \$3 - \$125	\$17	\$125
ME	\$25	¾ WBA	\$70	\$403
MD ²	\$8	\$40	\$40	Same maximum WBA with or without dependents
MA	\$29	½ WBA	\$29	\$507

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TABLE 3-10: AMOUNT OF WEEKLY DEPENDENTS' ALLOWANCES

State	Weekly Allowance per Dependent	Weekly Dependents' Allowances Capped at:	Maximum Dependents' Allowance for Minimum Weekly Benefit	Maximum Dependents' Allowance for Maximum Weekly Benefit
MI ²	\$6	\$30	\$30	Same maximum WBA with or without dependents
NJ ²	7% of WBA for 1 st dependent and 4% for each of the next 2 dependents		\$15	Same maximum WBA with or without dependents
NM	\$50	½ WBA up to \$50	\$50	\$50
OH	\$1 - \$196	Determined by schedule according to the dependency class	\$0	\$196
PA	\$5; \$3 for one other dependent	\$8	\$8	\$8
RI	\$15 or 5% of WBA up to 5 dependents	Greater of \$50 or 25% of WBA	\$50	\$170
GENERAL NOTE: Full dependents' allowance (DA) given for weeks of partial benefits in all states with the following exceptions: MD and PA - Not more than 26 DA payments for dependents may be made in any one BY (individuals are partially unemployed if they earn less than the unadjusted WBA). ¹ IL - the amount shown is dependent child allowance; individuals without a child who have a non-working spouse receive a different amount (amounts are determined by applying the applicable dependent allowance rate (see state benefit chart)). ² MD, MI, NJ - see Table 3-5: Weekly Benefit Amount, for more information regarding maximum benefit amount.				

MAXIMUM BENEFIT ENTITLEMENT

When states compute an individual's monetary eligibility for benefits, in addition to calculating the weekly benefit amount, they determine the maximum benefit amount payable (*i.e.*, maximum benefit entitlement) for the benefit year. This total maximum amount is determined based on a formula that is based on state law. The maximum benefit entitlement is available to the individual only for the duration of the benefit year. Individuals may not collect the full maximum benefit entitlement if, during the benefit year, the individual returns to work, is disqualified, or stops filing for another reason. Consequently, this balance is not available to collect after the benefit year expires.

Depending on the state's qualifying formula and the distribution of wages in an individual's base-period, individuals with the same total base-period wages and weekly benefit amounts can have a different maximum benefit entitlement. Generally, the formula for maximum benefit amounts is tied to some percentage of base-period wages; however, some states use formulas that take into consideration the ratio of high-quarter wages to total base-period wages. A few state laws establish uniform durations, meaning the same number of weeks, for all individuals who meet the qualifying wage requirements. In such cases, the maximum benefit amount is determined by multiplying the weekly benefit amount times the number of weeks established based on the state's uniform duration.

The following table describes how each state calculates maximum benefit amounts, as well as the wage credits required to qualify. Such calculations assume consistent wage earnings throughout the claimant's base-period. This table reflects only benefits available from the regular UI program. Benefit amounts tied to extensions are addressed in Chapter 4, *Extensions and Special Programs*.

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TABLE 3-11: MAXIMUM BENEFIT ENTITLEMENT				
State	Calculation of Maximum Benefit Amount	Maximum Potential Benefits		
		Maximum Benefit Amount ¹	Minimum Wages Required to Qualify for State Maximum Benefit	
			High-Quarter	Base-Period
AL	Lesser of 14 x WBA or ¼ BPW	\$3,850	N/A	\$16,500
AK	Ratio of BPW to HQW—from less than 1.5 to 3.5 or more	\$9,620 - \$11,492	N/A	\$42,000
AZ	Lesser of 26x WBA or ⅓ BPW	\$8,320	\$8,000	\$24,960
AR	Lesser of 16 x WBA or ⅓ BPW	\$7,216	N/A	\$46,904
CA	Lesser of 26 x WBA or ½ BPW	\$11,700	>\$11,674	\$23,400
CO	Lesser of 26 x WBA or ⅓ BPW	\$17,550 (low formula)	\$14,625 (low formula)	\$52,650 (low formula)
		\$19,292 (high formula)	N/A (high formula)	\$77,168 (high formula)
CT	N/A: Uniform duration state	\$18,278 - \$20,228	\$18,278 in each of 2 quarters	\$36,556
DE	Lesser of 26 x WBA or ½ BPW	\$10,400	N/A	\$20,800
DC	N/A: Uniform duration state	\$11,544	\$11,544	\$17,316
FL	Lesser of 12-23 x WBA or 25% BPW	\$6,325	\$7,150	\$25,300
GA	Lesser of 14 - 20 x WBA or ¼ BPW	\$7,300	N/A	\$29,200
HI	N/A: Uniform duration state	\$19,838	\$16,023	\$19,838
ID	Sliding scale of seasonally adjusted unemployment rates determines number of weeks (see scale in law)	\$10,640	\$13,832	\$37,880
IL	N/A: Uniform duration state	\$15,028 - \$20,462	N/A	\$31,915 in 2 quarters
IN	Lesser of 26 x WBA or 28% of BP wage credits	\$10,140	N/A	\$43,149
IA	Lesser of 26 x WBA or ⅓ BPW; if laid off due to employer going out of business, ½ of wages in BP up to 39 weeks	\$14,326 - \$17,576	\$12,673	\$42,978
KS	Lesser of 26 x WBA or ⅓ BPW	\$8,960	\$13,177	\$26,880
KY	Lesser of 26 x WBA or ⅓ BPW	\$16,276	N/A	\$52,462
LA ²	N/A: Uniform duration state	\$5,746 to \$7,384	N/A	\$22,100 to \$28,400
ME	Lesser of 26 x WBA or ⅓ BPW	\$13,988 - \$24,466	N/A	\$41,964
MD	N/A: Uniform duration state	\$11,180 with or without DA	>\$10,296	\$15,480
MA	Lesser of 30 x WBA or 36% BPW (reduced to 26 x WBA if all of the local areas unemployment rates are ≤5.1%)	\$26,390 - \$39,572	N/A	\$73,306

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TABLE 3-11: MAXIMUM BENEFIT ENTITLEMENT				
State	Calculation of Maximum Benefit Amount	Maximum Potential Benefits		
		Maximum Benefit Amount ¹	Minimum Wages Required to Qualify for State Maximum Benefit	
			High-Quarter	Base-Period
MI	Lesser of 20 x WBA or 43% BPW	\$7,240 with or without DA	\$8,830	\$16,838
MN	Lesser of 26 x WBA or ⅓ BPW	\$14,352 (based on HQW)	\$14,352 (based on HQW)	\$43,056 (based on HQW)
		\$22,282 (based on BPW)	N/A (based on BPW)	\$89,128 (based on BPW)
MS	Lesser of 26 x WBA or ⅓ BPW	\$6,110	\$6,110	\$18,330
MO	Lesser of 20 x WBA or ⅓ BPW	\$6,400	N/A	\$19,200
MT	Ratio of BPW to HQW—from 1.0 to 3.5 or greater (see schedule in law)	\$18,396	N/A	\$60,514
NE	Lesser of 26 x WBA or ⅓ BPW	\$13,364	\$13,364	\$40,092
NV	Lesser of 26 x WBA or ⅓ BPW	\$14,612	\$14,050	\$43,836
NH	N/A: Uniform duration state	\$11,102	N/A	\$41,500
NJ	Number of weeks worked in base year (up to 26) x WBA	\$21,580 with or without DA	N/A	\$35,967
NM	Lesser of 26 x WBA or 60% BPW	\$14,092 - \$15,392	\$13,171	\$23,487
NY	N/A: Uniform duration state	\$13,104	\$13,104	\$19,656
NC	N/A: Uniform duration state	\$7,000	N/A	\$18,200
ND	Ratio of BPW to HQW—from 1.5 to 3.2	\$17,498	N/A	\$93,302
OH	Lesser of 26 x WBA or 20 x WBA+ WBA for each qualifying week in excess of 20 up to a maximum of 26 weeks	\$14,586 - \$19,682	N/A	\$29,172 in 26 weeks
OK	Lesser of 26 x WBA or a variable percentage of the state's AAW for the 2 nd preceding year depending upon the conditional factor in place	\$12,818	\$11,339	\$17,009
OR	Lesser of 26 x WBA or ⅓ BPW	\$20,358	N/A	\$62,640
PA	Number of credit weeks (18-26) in BP x WBA (a credit week is a week a claimant earned at least \$116)	\$15,730 - \$15,938	\$15,388	\$24,425
PR	N/A: Uniform duration state	\$6,240	\$6,240	\$9,600
RI	Lesser of 26 x WBA or 33% BPW	\$17,680 - \$22,100	N/A	\$53,576
SC	Lesser of 20 x WBA or ⅓ BPW	\$6,520	\$8,476	\$19,560
SD	Lesser of 26 x WBA or ⅓ BPW	\$12,662	\$12,662	\$37,986
TN	Lesser of 26 x WBA or ¼ BPW	\$7,150	N/A	\$28,600
TX	Lesser of 26 x WBA or 27% BPW	\$14,638	\$14,063	\$54,215
UT	27% BPW	\$18,512	\$18,642	\$68,563
VT	Lesser of 26 x WBA or 46% BPW	\$17,368	N/A	\$37,757

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TABLE 3-11: MAXIMUM BENEFIT ENTITLEMENT

State	Calculation of Maximum Benefit Amount	Maximum Potential Benefits		
		Maximum Benefit Amount ¹	Minimum Wages Required to Qualify for State Maximum Benefit	
			High-Quarter	Base-Period
VA	Ratio of BPW to HQW (see table in law)	\$9,828	N/A	>\$37,800
VI	Lesser of 26 x WBA or ½ BPW	\$16,354	\$16,354	\$49,062
WA	Lesser of 26 x WBA or ½ BPW	\$25,974	N/A	\$77,922
WV	N/A: Uniform duration state	\$16,380	N/A	\$59,500
WI	Lesser of 26 x WBA or 40% BPW	\$9,620	\$9,250	\$24,050
WY	Lesser of 26 x WBA or 30% BPW	\$14,560	\$14,000	\$48,534

GENERAL NOTE: Because the high-quarter and base-period wage requirements for the minimum duration of the minimum weekly benefit amount are the same as the wage and employment requirements to qualify for benefits, they are not repeated in this table. See Table 3-2, Base Period Wage and Employment Requirement for Benefits. Some states will extend duration under certain circumstances. See Chapter 4, *Extensions and Special Programs*, for additional information. Additionally, in states where the benefit entitlement is calculated using multi-quarter, annual wage, or weekly wage formulas the high-quarter cell is shown as N/A as no specific level of wages is required to exist in the high-quarter pursuant to state law.

¹ When 2 amounts are given, higher amount includes dependents' allowance.

² Depending on the procedure in place in a given year, different benefit multipliers are utilized. As a result, the maximum potential benefit payable varies from year to year and, similarly, the amount of BPWs necessary to receive the maximum potential benefit payable fluctuates.

DURATION OF BENEFITS

The maximum number of weeks an individual may receive benefits during their benefit year is different for each state and dependent on the individual's base-period wages, though most states provide a cap of 26 weeks of benefits.

Many states provide for variable durations, where the number of weeks for which an individual may collect benefits (i.e., duration) is determined by dividing the maximum benefit amount payable (see Table 3-11, Maximum Benefit Entitlement, for calculation methodology) by the individual's weekly benefit amount (see Table 3-5, Weekly Benefit Amounts, for calculation methodology). Some states specify both a minimum and maximum number of weeks, and a sub-set of these states adjust these minimum and maximum values depending on the state's unemployment rate. Because all of these states allow for the maximum benefit amount to be used for weeks of total or partial unemployment, individuals may collect benefits longer than their stated duration at a reduced weekly benefit amount, until they have exhausted their maximum entitlement.

Depending on the distribution of wages in the base-period, individuals with the same total base-period wages can have different durations and different weekly benefit amounts. For example, individuals whose wages are concentrated largely or wholly in the high-quarter may have a higher weekly benefit amount but a shorter duration.

As noted in Table 3-11, Maximum Benefit Entitlement, some states establish a uniform duration for all individuals who meet the qualifying wage requirements (see Table 3-2, Base Period Wage and Employment Requirement for Benefits, for calculation methodology). States with a uniform duration are not necessarily "more generous" than the other states because many of these states have comparatively high minimum wage

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thresholds to qualify for all but the lowest benefit levels. Similarly, whether directly or indirectly, all uniform duration states require employment in more than one quarter for all – or most – individuals to qualify for benefits.

The following table displays the duration of benefits available in each state. Additionally, the table indicates whether the state has a uniform duration formula or a variable duration formula.

TABLE 3-12: DURATION OF BENEFITS					
State	Uniform Duration Number of Weeks	Variable Duration			
		Weeks Based on Base-Period Wages (BPW)		Weeks Based on BPW and Unemployment Rate ¹	
		Minimum	Maximum	Minimum	Maximum
AL				14	20
AK		16	26		
AZ				8	26
AR		9	16		
CA		14	26		
CO		13	26		
CT	26				
DE		24	26		
DC	26				
FL				9	12-23
GA				6	14-20
HI	26				
ID				10	20-26
IL	26				
IN		26	26		
IA		8	26		
KS				10	16-26
KY		15	26		
LA	26				
ME		15	26		
MD	26				
MA				10	30 ²
MI		14	20		
MN		11	26		
MS		13	26		
MO		8	20		
MT		8	28 ³		
NE		10	26		
NV		8	26		
NH	26				
NJ		20	26		

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TABLE 3-12: DURATION OF BENEFITS

State	Uniform Duration Number of Weeks	Variable Duration			
		Weeks Based on Base-Period Wages (BPW)		Weeks Based on BPW and Unemployment Rate ¹	
		Minimum	Maximum	Minimum	Maximum
NM		14	26		
NY	26				
NC	12-20 ⁴				
ND		12	26		
OH		20	26		
OK		16	26		
OR		3	26		
PA		18	26		
PR	26				
RI		17	26		
SC		13	20		
SD		15	26		
TN		13	26		
TX		10	26		
UT		10	26		
VT		21	26		
VA		12	26		
VI		13	26		
WA		1	26		
WV	26				
WI		14	26 ⁵		
WY		11	26		

¹ See the most recent Significant Provisions of State UI Laws for a point-in-time reference

<https://oui.doleta.gov/unemploy/statelaws.asp#RecentSigProLaws>

² Maximum number of weeks is capped at 26 during periods of low unemployment.

³ To qualify for 28 weeks, individual's ratio of total base-period wages to HQ wages must be at least 3.5.

⁴ Number of weeks paid in a given year is dependent upon the state's unemployment rate.

⁵ With some limited exceptions, individuals with significant ownership interest in family partnerships, LLCs, and corporations, and certain members of their families, are limited to 4 weeks of regular UI benefits.

SEASONAL EMPLOYMENT AND BENEFITS

Several states have laws that contain special provisions restricting payment of benefits to individuals who earned some or a substantial part of their base-period wages from employers operating on a seasonal basis. The definition of seasonal employment varies across states. Most consider the industry, employer, or occupation involved; the wages earned during the operating period of the employer or industry (e.g., the season); and the individual. Some states allow an employer classified as a seasonal employer to request to not to be treated as a seasonal employer.

In most states, the designation of seasonal industries, occupations, or employers and the beginning and ending dates of their seasons is made in accordance with a formal procedure, following action initiated by the UI

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agency or upon application by the employers or individuals. Typically, this involves hearings and presentation of supporting data.

Other states provide a more uniform definition of seasonal employment, which considers the climate conditions or seasonal nature of the employment and the extent to which it is customary to operate only during regularly recurring periods up to a specified number of weeks. This specified number of weeks includes: 16 weeks in Massachusetts; 26 weeks in Colorado, Indiana, Michigan, Oklahoma, and Tennessee; 26 weeks in Maine (except for seasonal lodging facilities, variety stores, or trading posts, restaurants, and camps, where a period of less than 26 weeks applies); 36 weeks in North Carolina; and 40 weeks in Ohio.

The most frequent restriction provides that wage credits earned in seasonal employment are available for payment of benefits only for weeks of unemployment in the benefit year that fall within the operating period of the employer or industry where they were earned. Wage credits earned in non-seasonal work or in employment with a seasonal employer outside the operating period are available for payment of benefits at any time in the benefit year. The states with this type of provision are listed in the following table, together with the definitions of “seasonal worker” to whom the restrictions apply.

TABLE 3-13: SEASONAL WAGE CREDITS AVAILABLE ONLY DURING SEASON					
AR	Off-season wages of (a) less than 30 times the weekly benefit amount, if individual's seasonal wages were earned in an industry with an operating period of 2-6 months; or (b) less than 24 times the weekly benefit amount, if seasonal wages were earned in an industry with an operating period of 7-8 months	AZ	For employment in transient lodging only; no benefits based on seasonal wages during the off-season if unemployment is due to substantial slowdown in operations	CO	Some seasonal wages in operating period of seasonal industry
IN	Some seasonal wages in operating period of seasonal employer	ME	Some seasonal wages in operating period of seasonal employer	MA	Some seasonal wages in operating period of seasonal industry
MI	Wages must be within seasonal period of 26 weeks or less; designation of employment as seasonal is voluntary	MS	Off-season wages of (a) less than 30 times the weekly benefit amount, if individual's seasonal wages were earned in a cotton ginning industry or professional baseball with an operating period of 6-26 weeks; or (b) less than 24 times the weekly benefit amount, if seasonal wages were earned in a cotton ginning industry or professional baseball with an operating period of 27-36 weeks	NC	25% or more of BP wages earned in operating period of seasonal employer
OH	Some seasonal wages earned in operating period of seasonal employer	PA	Seasonal wages for less than 180 days of work in operating period; applies only if reasonable assurance of reemployment exists	SD	Some wages earned in operating period of seasonal employer
TN	Wages must be 26 consecutive weeks or less and for a seasonal employer as defined by the state				

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Two states have established other seasonal provisions, which are listed in the following table.

TABLE 3-14: OTHER SEASONAL PROVISIONS	
DE	Individual with 75% or more of BP earnings in seasonal employment – defined as the processing of agricultural or seafood products – will be eligible only if the individual had been employed in the corresponding month of the BP
WV	Individual working less than 100 days in seasonal employment is not eligible unless the individual has non-seasonal employment earnings of at least \$100

DEDUCTIONS AND WITHHOLDING FROM BENEFITS

Federal law requires that money withdrawn from the state unemployment fund (refer to Chapter 2, *Financing*) must only be used to pay unemployment compensation. However, federal law explicitly provides for some exceptions to this requirement.

OVERPAYMENTS—Overpayments are established when the state determines an individual received benefits they were not entitled to receive. Federal law requires states to recover existing overpayments by offsetting benefits that are otherwise payable. See Chapter 6, *Overpayments* for more information on this topic.

CHILD SUPPORT—Federal law requires states to deduct child support obligations from benefits only when the obligations are enforced by the state child support agency.

OVERISSUANCES OF SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)—Federal law permits states to deduct an uncollected over issuance of SNAP (i.e., food stamps). The following table indicates which state laws authorize these deductions, though the state UI and SNAP agencies must enter into an agreement to implement this provision.

TABLE 3-15: STATES WITH AUTHORITY TO DEDUCT SNAP OVERISSUANCES				
Alabama	Arizona	Arkansas	Colorado	Delaware
Georgia	Hawaii	Illinois	Iowa	Kansas
Louisiana	Maine	Massachusetts	Missouri	Montana
Nebraska	New Hampshire	New Jersey	New Mexico	New York
Oklahoma	South Dakota	Tennessee	Texas	Utah
Vermont	Virgin Islands	Virginia	Wyoming	

INCOME TAX—Federal law requires states to offer individuals the opportunity to voluntarily have federal income tax withheld from benefits at the rate of 10 percent. Federal law also permits states to withhold state and local income tax from benefits. The following table indicates which states offer individuals the opportunity to have state and/or local income taxes withheld.

TABLE 3-16: WITHHOLDING STATE AND LOCAL INCOME TAX AT CLAIMANT OPTION											
State	State Taxes	Local Taxes	State	State Taxes	Local Taxes	State	State Taxes	Local Taxes	State	State Taxes	Local Taxes
AZ	X		CO	X		CT	X	X	DC	X	
GA	X		HI	X	X ¹	ID	X		IL	X	

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TABLE 3-16: WITHHOLDING STATE AND LOCAL INCOME TAX AT CLAIMANT OPTION

State	State Taxes	Local Taxes	State	State Taxes	Local Taxes	State	State Taxes	Local Taxes	State	State Taxes	Local Taxes
IA	X		KS	X		KY	X		ME	X	X
MD	X		MA	X		MI	X ²		MN	X	
MS	X	X	NE	X		NY	X	X	NC	X	
ND	X		OK	X ²		OR	X		RI	X	
SC	X		UT	X		VT	X ²		WV	X	
WI	X										

GENERAL NOTE: **AK, DE, FL, NV, SD, TX, WA,** and **WY** have no state income tax.

¹ Local income taxes deducted and withheld from the individual's UI for other states and localities.

² If federal taxes are elected to be withheld from benefits, then state taxes will be withheld as well.

HEALTHCARE COVERAGE—Federal law permits states to deduct amounts from an individual's benefit to pay for certain types of health insurance, if the individual elects to do so. While neither state has implemented such provisions, Illinois and Oklahoma authorize the deduction of health insurance premiums from unemployment benefits if the individual so elects, provided the state has an approved health care plan for unemployed individuals. Massachusetts has a health insurance program for unemployed individuals; however, it is unrelated to the UI program.

CHAPTER 4

EXTENSIONS AND SPECIAL PROGRAMS

IN GENERAL

This chapter covers unemployment benefit extensions and special programs that are available in certain circumstances, in addition to the regular Unemployment Compensation (UC) program, and include:

- the federal-state Extended Benefits (EB) program;
- special federal extension programs;
- state additional benefits (AB) programs;
- Trade Readjustment Allowances (TRA);
- Disaster Unemployment Assistance (DUA);
- Short-Time Compensation (STC) or worksharing; and
- Self-Employment Assistance (SEA).

FEDERAL-STATE EXTENDED BENEFITS (EB)

Federal law provides for payment of EB when a state's unemployment rate meets certain thresholds during periods of high and rising unemployment—these are referred to as “triggers.” Under the Federal Unemployment Tax Act (FUTA), state law must provide for a permanent EB program that is aligned with the Federal-State Extended Unemployment Compensation Act of 1970. EB is payable to an individual after they have exhausted entitlement to regular UC.

TRIGGERS—Under federal law, states must provide for a mandatory Insured Unemployment Rate (IUR) trigger. States also have the option to include two additional triggers – an optional IUR trigger and an optional Total Unemployment Rate (TUR) trigger. If the state adopts the optional TUR trigger, then they also must provide for additional weeks of EB during a high unemployment period (HUP).

- **Mandatory IUR Trigger** – The state triggers “on” to EB when the IUR for the previous 13 weeks is at least 5.0 percent and is 120 percent of the average of the rates for the corresponding 13-week period in each of the two previous years. The IUR is the ratio of the number of individuals collecting regular UC to the number of individuals who could potentially collect regular UC if they lost their jobs.
- **Optional IUR Trigger** – If provided for in state law, the state triggers “on” to EB when the IUR for the previous 13 weeks is at least 6.0 percent, regardless of the rates of unemployment in the previous years.
- **Optional TUR Trigger** – If provided for in state law, the state triggers “on” to EB when the average TUR, seasonally adjusted, for the most recent three months is at least 6.5 percent and is 110 percent of the rate for the corresponding three-month period in either or both of the two

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previous years. The TUR is the ratio of the total number of all unemployed persons to the civilian labor force.

- **Optional TUR Trigger during a HUP** – If the state provides for the optional TUR trigger, then it must also provide for additional weeks of EB during a HUP. If the TUR, seasonally adjusted, for the most recent three months is at least 8.0 percent and is 110 percent of the rate for the corresponding three-month period in either or both of the two previous years, the duration of EB increases from up to 13 weeks to up to 20 weeks.

A notice is posted in the *Federal Register* any time a state triggers “on” or “off” using one or more of these triggers. The U.S. Department of Labor publishes a weekly *Trigger Notice* that identifies each state’s EB trigger status at https://oui.doleta.gov/unemploy/claims_arch.asp.

TABLE 4-1: STATES WITH OPTIONAL TRIGGERS FOR EB					
State	Optional IUR Trigger	Optional TUR Trigger	State	Optional IUR Trigger	Optional TUR Trigger
AL	X		NV	X	X ¹
AK	X	X	NH		X
AZ	X		NJ	X	X
CA	X	X ¹	NM		X
CO	X	X ¹	NY		X ¹
CT	X	X	NC	X	X ¹
DC	X	X ¹	OH	X	X ¹
GA		X ¹	OR	X	X
ID	X		PA	X	
IL	X	X ¹	RI	X	X
IN	X		SC	X	X ¹
KS	X	X	TN	X	
KY		X ¹	TX	X	X ¹
ME	X	X	VT	X	X
MD	X	X ¹	VA	X	
MA		X	WA		X
MI		X ¹	WV	X	
MN	X	X	WI	X	
MO	X				
¹ Dependent on 100% federal funding					

EB PAYABLE PERIOD—A state’s EB payable period begins the third week after the first week for which there is a state “on” indicator for one or more of the EB triggers. Once started, a state’s EB payable period continues for at least 13 consecutive weeks, even if the state no longer meets the EB trigger requirements. A state’s EB payable period ends the later of: (1) the third week after the first week in which the state no longer has an “on” indicator; or (2) after 13 weeks. Once a state’s EB payable period has ended, the state may not enter into a new EB payable period for at least 13 weeks, even if the state subsequently meets an EB trigger requirement during that time.

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FINANCING—Under permanent federal law, half of the sharable benefits paid are financed by the federal government from FUTA revenues. Temporary federal laws have, at times, provided for 100 percent of sharable benefits to be financed by the federal government. The state is responsible for the remainder of EB costs.

As used above, “sharable benefits” include sharable extended compensation and sharable regular compensation. “Sharable regular compensation” includes any weeks of regular compensation paid in excess of 26 times the average weekly benefit amount during an EB period. “Sharable extended compensation” includes EB paid during the EB period, but does not include the first week of EB paid if a state has no waiting week for regular compensation, nor any amount for which the state rounds up instead of down in a given week. No federal sharing is available for EB costs attributable to employment with state and local governmental entities or federally recognized Indian tribes, as these entities do not pay the FUTA tax, which finances the federal share of EB.

BENEFIT AMOUNTS—During an EB payable period, an individual who has exhausted entitlement to regular UC may receive the lesser of: (1) 50 percent of their total amount of regular UC; (2) 13 times the average weekly benefit amount for their regular UC claim; or (3) 39 times the average weekly benefit amount of their regular UC claim, minus the amount of regular UC paid during the benefit year. This generally calculates to an additional 13 weeks of benefits after the individual’s regular UC claim is exhausted. However, states with maximum benefit entitlements that are less than 26 weeks will pay a lesser amount of EB (refer to Table 3-11, Maximum Benefit Entitlement). As noted above, individuals may receive additional weeks of EB if the state is in a period of high unemployment and state law provides for the optional TUR trigger. This generally means that an individual who has exhausted entitlement to regular UC may receive up to 20 weeks of EB. An individual may only receive EB with respect to weeks of unemployment occurring during a state’s EB payable period.

REDUCTIONS IN AMOUNT OF EB—EB paid on interstate claims is limited to two weeks unless both states are in an EB period. Also, individuals who received Trade Readjustment Assistance (TRA) before EB triggered “on” in a state will have their EB entitlement reduced by the number of weeks of TRA received. In addition, some states reduce the EB amount payable to an individual during a period in which federal sharing of the cost of EB is reduced pursuant to a sequester order.

SPECIAL QUALIFYING REQUIREMENTS—Generally, state law applies to the payment of EB. However, some special qualifying requirements exist:

- An individual claiming EB who fails to make “a systematic and sustained” work search or fails to apply for or accept “suitable work” is not entitled to EB until the individual has been employed during at least four weeks and has earned a total of four times the individual’s weekly EB amount. Suitable work under EB is defined based on an individual’s prospects of returning to employment and, for individuals whose prospects are deemed “not good”, includes “any work within such individual’s capabilities.”
- Any disqualification for voluntarily quitting work, committing misconduct, or refusing suitable work must be purged through subsequent employment.
- To qualify for EB, an individual must have 20 weeks of full-time covered work, or the equivalent in covered wages, in the base period. Alternatively, state law may provide for an alternative calculation of either 40 times the weekly benefit amount or at least 1½ times the high-quarter wages in the base period. The following table lists states where laws governing the regular UC program do not automatically satisfy the “20 weeks” requirement (refer to Table 3-2, Base Period Wage and Employment Requirements for Benefits) and identifies which of the alternative methods are applied for purposes of qualifying for EB.

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TABLE 4-2: EB MONETARY REQUIREMENT USED IN STATES WHERE REGULAR UC MINIMUM QUALIFYING FORMULA DOES NOT SATISFY 20-WEEK REQUIREMENT			
State	20 Weeks	Exceeds 40 x WBA	Exceeds 1½ HQW
AK		X	X
AZ		X	X
AR	X	X	X
CA		X	X
DE		X	
DC			X
HI	X	X	X
ID	X	X	X
IL			X
IN			X
IA			X
KS			X
ME			X
MD			X
MA	X	X	X
MN		X	
MT	X	X	X
NE			X
NV	X	X	X
NH		X	
NJ		X	
NM			X
NY			X
NC	X	X	X
OK			X
OR		X	
PA			X
PR		X	
RI		X	X
TX		X	X
VT		X	
VA	X	X	
VI			X
WA		X	X
WV		X	
WI		X	
WY			X

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SPECIAL FEDERAL EXTENSION AND SUPPLEMENTAL BENEFIT PROGRAMS

In addition to the permanent EB program, Congress has, in times of high unemployment, enacted temporary programs extending unemployment benefits or providing supplemental or emergency time-limited benefits. The most recent programs were Pandemic Emergency Unemployment Compensation (PEUC), Pandemic Unemployment Assistance (PUA), Federal Pandemic Unemployment Compensation (FPUC), and Mixed Earners Unemployment Compensation (MEUC) – all of which were available in all states, all of which expired on September 6, 2021.

TABLE 4-3: SPECIAL FEDERAL EXTENSION AND SUPPLEMENTAL BENEFIT PROGRAMS	
Name	Effective Dates (mm/yy)
Temporary Unemployment Compensation (TUC)	6/58 to 6/59
Temporary Extended Unemployment Compensation (TEUC)	4/61 to 6/62
Temporary Compensation (TC)	1/72 to 3/73
Federal Supplemental Benefits (FSB)	1/75 to 1/78
Federal Supplemental Compensation (FSC)	9/82 to 6/85
Emergency Unemployment Compensation (EUC)	11/91 to 4/94
Temporary Extended Unemployment Compensation (TEUC)	3/02 to 3/04
Emergency Unemployment Compensation (EUC08)	7/08 to 1/14
Federal Additional Compensation (FAC)	2/09 to 12/10
Pandemic Unemployment Assistance (PUA)	1/20 to 9/21 ¹
Pandemic Emergency Unemployment Compensation (PEUC)	3/20 to 9/21 ¹
Federal Pandemic Unemployment Compensation (FPUC) at \$600	3/20 to 7/20
Federal Pandemic Unemployment Compensation (FPUC) at \$300	12/20 to 9/21 ¹
Mixed Earners Unemployment Compensation (MEUC)	1/21 to 9/21 ¹

¹ The programs were authorized through their stated ending dates, but some states opted to terminate participation early.

For additional information, refer to the summary of Temporary Federal Benefit Programs available at https://oui.doleta.gov/unemploy/spec_ext_ben_table.asp.

STATE ADDITIONAL BENEFITS (AB)

A number of states have provisions for extending the potential duration of benefits during periods of high unemployment for individuals who exhaust regular UC and meet certain criteria, such as being enrolled in approved training. Although some state laws call these programs “extended benefits,” this publication uses the term “additional benefits” to avoid confusion with the federal-state EB program.

The following table includes information about states that have AB programs funded via their unemployment fund – AB programs funded through other means, such as state general funds, are not included. Caution should be taken in using the following table because: 1) some AB programs may be subject to annual legislative appropriations and may not be in effect; and 2) short-term AB programs will not be included if their legislative authorization expired prior to publication.

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TABLE 4-4: STATES WITH ADDITIONAL BENEFITS (AB) PROGRAMS

State	Name of Extension	Duration	To Whom/When Payable	When Effective
AK	Supplemental State Benefits	13 weeks	Exhaustees of regular UC who satisfy the requirements for receipt of regular benefits and are ineligible for extended benefits solely because they do not meet EB earnings requirement of 40 x WBA or 1.5 HQW	Permanent
CA	Extended Duration Benefits	13 weeks	Exhaustees who are not entitled to regular benefits, if they meet applicable eligibility requirements for regular benefits, are not subject to disqualification, and are not under a disqualification for regular benefits	Triggers if IUR equals or exceeds 6%
	California Training Benefits (CTB)	Up to 52 x WBA, less regular UC and any extensions paid	Individuals who lack competitive job skills and who are enrolled in approved training for a demand occupation; individual must apply for or inquire about CTB program no later than the 16 th week of receiving regular UC	Permanent
CT	Additional Benefits	13 weeks	Individuals who are not entitled to benefits under the federal-state EB program that week	Triggers if an EB period is in effect
GA	Training Extension	14-20 weeks, less any deductible income	Individuals who are separated from a declining occupation and have exhausted all rights to regular unemployment compensation, including extensions, and who are enrolled in and making satisfactory progress in an approved training program that prepares individuals for entry into a high-demand occupation	Permanent TUR for most recent 3 months must > 11%
HI	Additional Unemployment Compensation	13 weeks	Unemployed as a result of natural or man-made disaster, as declared by the Governor; must exhaust regular UC, not qualify for UI monetarily, or be self-employed	Must be approved by Governor
IA	Business Closure Benefits	13 weeks	If unemployed due to last employer going out of business, wage credits are recomputed up from 1/3 of wages for insured work to 1/2	Permanent
	Training Extension Benefits (TEB)	26 weeks	Individuals who are separated from a declining occupation and have exhausted all rights to regular unemployment compensation including extensions, and who are enrolled in and making satisfactory progress in an approved training program that prepares individuals for entry into a high-demand occupation	Permanent
ID	Training Extension	26 weeks	Individuals who are separated from a declining occupation and have exhausted all rights to regular unemployment compensation including extensions, and who are enrolled in and making satisfactory progress in an approved training program that prepares individuals for entry into a high-demand occupation or have been involuntarily and indefinitely separated from employment as a result of a permanent reduction of operations.	Permanent
MD	Training Extension	26 weeks	Individuals who are enrolled in and making satisfactory progress in an approved training program; payments limited to 1 year following end of benefit year	Permanent
MA	Training Extension	26 weeks	Attendees in an approved training course who, in opinion of Commissioner, will be aided in finding appropriate employment; only paid while attending such course and only if not eligible for TRA, exhausted all rights to regular UC and EB, and has no rights to benefits under any other state or federal law	Determined by Commissioner
	Locked Out Workers	26 weeks	Individuals eligible due to an employer's lockout; extension limited to lesser of 26 weeks or the period of the lockout	Permanent
ME	Dislocated Worker Benefits	26 weeks	Must meet the definition of "dislocated worker" and be attending training approved by the UI Commission; must exhaust all rights to regular UC and EB, and have no rights to benefits under any other state or federal law	Permanent

EXTENSIONS AND SPECIAL PROGRAMS

TABLE 4-4: STATES WITH ADDITIONAL BENEFITS (AB) PROGRAMS

State	Name of Extension	Duration	To Whom/When Payable	When Effective
MI	Extended Training or Retraining Benefits	18 weeks	Must be in approved training, and is separate from TRA	Optional – not currently in effect
MN	Additional Benefits	13 weeks	If individual was laid off from main base period employer; that employer had 100 or more workers; employer laid off at least 50% of workforce; employer has no intentions of rehiring individual; individual exhausted regular UC; and facility is located in county with unemployment rate at least 10% from 3 months before to 3 months after layoff; individuals who have stopped working because of a lockout are eligible if the lockout is in active progress	Permanent – Determined by Commissioner
MT	Additional Training Benefits	26 weeks	Individuals who are separated from a declining occupation and have exhausted all rights to regular unemployment compensation including extensions, and who are enrolled in and making satisfactory progress in an approved training program that prepares individuals for entry into a high-demand occupation	Permanent
NE	Training Extension	26 weeks	Individuals who are separated from a declining occupation and have exhausted all rights to regular unemployment compensation including extensions, and who are enrolled in and making satisfactory progress in an approved training program that prepares individuals for entry into a high-demand occupation	Permanent
NJ	Additional Benefits During Training	26 weeks	Dislocated workers unlikely to return to previous employment because opportunities in the job classification are impaired due to substantial reduction in employment at worksite; training must be for a labor demand occupation and must be approved	Permanent
NY	Additional Training Benefits	104 effective days	Exhaustees of regular UC and, if in effect, any other extended benefits, provided that entitlement to a new benefit claim cannot be established; individual must be in approved training, separate from TRA	Permanent – Subject to availability of funds
OR	Supplemental Benefits – Dislocated Worker Program	1-26 weeks	Eligible dislocated workers who are ineligible to receive extended benefits or additional benefits, and who are demonstrating satisfactory progress and attendance in the approved training	Permanent – Additional eligibility requirements apply
	Additional Benefits	Up to 25% of most recent regular UC claim	Exhaustees of regular UC who continue to meet eligibility requirements for regular UC and are not eligible for any other unemployment benefits including any federal extensions; payable for weeks not within an EB period, not within a federal extension period, and when IUR equals or exceeds 4.5%	Permanent
PR	Additional Benefits	(20 x WBA plus 32 x additional WBA) less max. potential benefits payable in last BY	Individuals displaced due to technological progress and/or the permanent disappearance of an industry, establishment, or occupation; not for seasonal unemployment	Permanent – Secretary determines if special unemployment situation exists
VT	Training Extension	26 weeks	Individuals who are separated from a declining occupation and have exhausted all rights to regular unemployment compensation including extensions, and who are enrolled in and making satisfactory progress in an approved training program that prepares individuals for entry into a high-demand occupation	Permanent

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TABLE 4-4: STATES WITH ADDITIONAL BENEFITS (AB) PROGRAMS

State	Name of Extension	Duration	To Whom/When Payable	When Effective
WA	Training Benefits Program	52 x WBA less regular UC and EB paid	Unemployed individuals who are disabled, low-income, members of the Washington National Guard, or recently discharged from the military, and in need of full-time training in a demand occupation	Permanent – Training benefits not payable for weeks more than 2 years beyond end of benefit year of regular claim
WI	Wisconsin Supplemental Benefits	8 weeks	Individual who has exhausted benefits; Wisconsin supplemental benefit period occurs when IUR is 4% and TUR is 5%	Governor can elect to run this program or allow payment through federal-state EB program

TRADE READJUSTMENT ALLOWANCES (TRA)

TRA is an income support benefit available to those participating in the Trade Adjustment Assistance (TAA) Program. The TAA Program provides federal assistance to workers who are certified as adversely affected by foreign trade. It includes resources and opportunities for individuals to obtain the skills, credentials, and support necessary for successful reemployment. Any member of a worker group certified by the Department as trade-affected is potentially eligible to receive TAA Program benefits and services through a local American Job Center (AJC), such as employment and case management, training, income support in the form of TRA, job search allowances, relocation allowances, and (when available) a Health Coverage Tax Credit. For affected workers age 50 and over, Reemployment Trade Adjustment Assistance (RTAA) provides wage supplements for eligible reemployed workers whose reemployment resulted in lower wages than those earned in their trade-affected employment.

The Secretary of Labor has entered into agreements with state agencies whereby the agencies will act as agents for the federal government in paying TAA, TRA, and other allowances to eligible individuals. Payments and administrative costs are financed by federal funds.

The following table provides program authority applicable by petition number. For additional information on the TAA Program go to <https://www.dol.gov/agencies/eta/tradeact>.

TABLE 4-5: TRADE ACT AMENDMENTS

Petition Series	Applicable Trade Act Amendment	Applicable Guidance
TA-W-69,999 and below	TAARA (2002 Amendments)	TEGL No. 11-02 and Changes 1, 2, and 3
TA-W-70,000 through TA-W-79,999	TGAAA (2009 Amendments)	TEGL No. 22-08 and Change 1
TA-W-80,000 through 80,999	TAARA (2002 Amendments under the sunset provisions of TGAAA) - or-TAAEA (2011 Amendments), based on one-time selection under TAAEA one-time worker “choice” provision	TEGL No 11-02 and Changes 1, 2, and 3; 20 CFR 618
TA-W-81,000 through TA-W-84,999	TAAEA (2011 Amendments)	20 CFR 618
TA-W-85,000 through TA-W-97,999	TAARA (2015 Amendments)	20 CFR 618
TA-W-98,000 +	Reversion 2021	20 CFR 618; TEGL 24-20

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On July 1, 2022, the termination provision under Section 285(a) of the Trade Act of 1974, as amended, took effect. The Department may not issue any determinations and may not accept any new petitions or requests for reconsideration. Requests to amend current certifications may still be filed. Workers who were certified and separated from their job on or before June 30, 2022, may still be eligible for benefits and services.

TRA QUALIFYING REQUIREMENTS—To qualify for TRA, the individual must have had at least 26 weeks of employment with wages of at least \$30 a week within the 52-week period ending with the week of the individual's total or partial separation from adversely affected employment. Along with other requirements to receive TRA payments, the individual must be enrolled in, participating in, or have completed an approved training program unless it is determined that training is not feasible or appropriate and a waiver from training has been granted.

ELIGIBILITY—TRA is payable in three distinct tiers, each with its own eligibility requirements and potential duration: Basic, Additional, and Completion TRA. Basic TRA is generally available after an individual exhausts all UC entitlement. It is payable within a 104-week eligibility period that begins with the first week after the individual's most recent qualifying separation. The weekly benefit amount available is the same weekly amount as the initial UC claim, and the total amount of benefits payable is the weekly benefit amount times 52, reduced by the total amount of UC entitlement. For example, in a state with a 26-week UC entitlement, an individual would be eligible for up to 26 weeks of Basic TRA.

Additional TRA is available after an individual exhausts Basic TRA, and is payable for up to 65 weeks within a 78-week eligibility window. One key element of Additional TRA is that it is only payable if the individual is actually participating in training – that requirement is different from Basic TRA, which can be paid if the person is merely enrolled in training, for example. The weekly benefit amount paid is the same as paid on Basic TRA.

Finally, Completion TRA is available within the last 20 weeks of training – the individual must be expected to complete training within those 20 weeks to be eligible. Completion TRA is only payable for 13 of those 20 weeks, at the same weekly benefit amount as was paid in Basic and Additional TRA.

SUPPLEMENTAL ASSISTANCE —In addition to TRA, individuals may receive supplemental assistance to defray reasonable subsistence and transportation expenses while a worker attends training at a facility outside of the worker's commuting area.

RELOCATION ALLOWANCES—Relocation allowances are payable to totally separated individuals who have no reasonable expectation of securing suitable employment in the area in which they live, and who have a bona fide offer of suitable work in the area in which they wish to relocate. Relocation allowances consist of a lump sum payment equal to three times the weekly benefit amount (not to exceed \$1,250) and 90 percent of the allowable expenses incurred in moving the individual, their family, and their household goods to the location of their new job.

JOB SEARCH ALLOWANCES—Job search allowances are payable to totally separated individuals who have no reasonable expectation of securing suitable employment in the area in which they live, and who have a reasonable expectation of securing suitable employment in the area of the proposed job search. Job search allowances consist of up to 90 percent of the cost of the necessary expenses incurred in the job search, not to exceed \$1,250, under a single certification.

DISASTER UNEMPLOYMENT ASSISTANCE (DUA)

The Robert T. Stafford Disaster Relief and Emergency Assistance Act authorizes the President to provide to any individual, who becomes unemployed or cannot commence employment as a direct result of a major disaster, such assistance as the President deems appropriate while the individual is unemployed. Among

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the types of assistance available as a result of a presidentially declared disaster is DUA – a payment made by state UC agencies under agreements with the Secretary of Labor. Funds for both DUA benefits and administrative costs are provided by the Federal Emergency Management Administration to the Secretary of Labor who, in turn, makes them available to the states.

ELIGIBILITY—Federal regulations provide that certain individuals living or working in areas affected by a major disaster who become unemployed or cannot commence employment as a direct result of the disaster and who are not eligible for regular UC may be eligible for DUA benefits. DUA eligibility includes coverage for individuals who are self-employed. Applications for DUA must be filed within 30 days after the announcement date of the major disaster. In general, individuals must be able and available for suitable work.

DISASTER ASSISTANCE PERIOD—When a disaster declaration is made, a disaster assistance period will be identified. This is the period within which DUA is payable. DUA benefits are generally paid for up to 26 weeks beginning with the first week following the date the major disaster began and ending with the 26th week following the date the major disaster is declared by the President.

WEEKLY ASSISTANCE AMOUNT—The DUA weekly assistance amount is computed in accordance with the applicable state law formula used to compute the weekly benefit amount under the state’s regular UC program; however, the DUA base period will always be the most recent tax year that has ended. If the individual’s weekly amount calculates to less than 50 percent of the state’s average weekly payment of regular compensation, or the individual has insufficient wages or income to calculate a weekly benefit amount under state UC law, the individual will be entitled to a minimum weekly assistance amount equal to 50 percent of the average weekly payment of regular compensation in the state.

In Guam and the Northern Mariana Islands, the weekly DUA amount is the average of the payments of regular compensation made under all state laws referred to in 20 CFR 625.2(r)(1)(i) for weeks of total unemployment in the first four of the last five completed calendar quarters immediately preceding the quarter in which the major disaster began. In American Samoa, Marshall Islands, Micronesia, and the Trust Territory of the Pacific Islands (Palau), the weekly DUA amount is the agreed-upon amount of approximately 50 percent of the area-wide average of the weekly wages paid to individuals in the major disaster area in the quarter immediately preceding the quarter in which the major disaster began.

DEDUCTIONS—An individual’s weekly DUA amount is reduced by the amount of wages that the individual earns in a week, as determined by applying the earnings allowance rules prescribed by the applicable state’s UC law. An individual’s weekly DUA amount is also reduced by the following amounts: 1) any compensation for loss of wages due to illness or disability; 2) supplemental unemployment benefits pursuant to a collective bargaining agreement; 3) private income protection insurance payments; 4) workers’ compensation by virtue of death of head of household; and 5) the amount of retirement pension or annuity under a public or private retirement plan or system if such amount is deductible under the state UC law.

SHORT-TIME COMPENSATION (STC)

The STC program (also known as “worksharing” or “shared work”) is a lay-off aversion program in which an employer, under a state-approved plan, reduces the number of work hours for a group of employees and, in turn, the employees receive a pro-rated unemployment benefit payment. The STC program maintains the connection between employees and employers by allowing certain work activities to continue, thereby ensuring that these workers will be available to resume prior employment when business demand increases. In addition, the STC unemployment benefit cushions the negative economic impact to workers who experience a reduction in work hours. Whereas partial benefit formulas look at individuals’ earnings (refer to Table 3-8, Partial Unemployment and Earnings Disregarded when Determining Weekly Benefit), STC provides a pro-rata share of an individual’s weekly benefit amount based on the group’s reduction in weekly work hours.

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States are not required to enact an STC program; however, states may not operate an STC program that does not conform to the definition found in FUTA. For example, FUTA requires that the reduction in the affected employees' (also known as "affected unit") work week is at least 10 percent and not more than 60 percent. State law may provide for a narrower range within this window. Additionally, the STC plan must provide that employers will maintain (to the same extent as for other employees not participating in the STC program) certain specified health benefits and retirement benefits for employees in the affected unit, despite the reduced hours. Most states do not allow seasonal employees to participate in an employer's STC plan. Several states require that employers continue to file wage reports and pay contributions as a condition of participation. Many states require the employees' union to agree to an STC plan if the employer is unionized.

TABLE 4-6: STATES WITH STC PROGRAMS

State	Period of Approved Plan	Required Reduction of Work	Maximum Number of Weeks Payable
AZ	1 year	10% - 40%	24-26 weeks (limitation does not apply if state IUR consisting of the week and the preceding 12 weeks is $\geq 4\%$)
AR	12 months	10% - 40%	25 weeks
CA ¹	1 year	10% - 60%	52 weeks
CO	12 months	10% - 60%	52 weeks
CT	26 weeks (with 26-week extension possible)	10% - 60%	26 weeks
DC	365 days	10% - 60%	52 weeks
FL	12 months	10% - 40%	26 weeks
GA ²	n/a ²	10% - 60%	n/a ²
IA	52 weeks	20% - 50%	26 weeks
IL	12 months	20% - 60%	52 weeks
KS	12 months	10% - 50%	52 weeks
KY	12 months	10% - 40%	26 weeks
ME	12 months	10% - 50%	52 weeks
MD	6 months	10% - 60%	52 weeks
MA	12 months	10% - 60%	52 weeks
MI	52 weeks	15% - 45%	52 weeks
MN	At least 2 months, but not more than 1 year	20% - 50%	52 weeks
MO	12 months	20% - 40%	52 weeks
NE	12 months	10% - 60%	52 weeks
NH	26 weeks	10% - 50%	26 weeks
NJ	1 year	10% - 60%	52 weeks
NY	53 weeks	20% - 60%	26 weeks
OH	52 weeks	10% - 50%	52 weeks
OR	1 year	20% - 40%	52 weeks
PA	52 weeks	20% - 40%	52 weeks
RI	12 months	10% - 50%	52 weeks
TX	12 months	10% - 40%	52 weeks
VA ³	12 months	10% - 60%	26 weeks
WA	12 months	10% - 50%	52 weeks

EXTENSIONS AND SPECIAL PROGRAMS

TABLE 4-6: STATES WITH STC PROGRAMS			
State	Period of Approved Plan	Required Reduction of Work	Maximum Number of Weeks Payable
WV ³	12 months	10% - 60%	26 weeks
WI	12 months	10% - 50%	6 months
WY	12 months	10% - 60%	52 weeks
¹ STC benefits shall not be payable on any type of extended claim. ² Not operational prior to promulgation of regulations; currently no regulations for this program exist. ³ Authority in law, but program not currently operational.			

SELF-EMPLOYMENT ASSISTANCE (SEA)

The SEA program helps unemployed individuals create their own jobs by starting small businesses. To be eligible for SEA payments, individuals must be:

- Eligible for regular UC;
- Engaged on a full-time basis in activities relating to the establishment of a business and becoming self-employed;
- Identified as likely to exhaust their regular UC benefits; and
- Participating in self-employment activities including entrepreneurial training, business counseling, and technical assistance.

The authorizing federal law provides that no more than five percent of individuals receiving regular UC under a state program may participate in the SEA program. Individuals enrolled in the SEA program will receive weekly allowances. These allowances are the same as the individual's regular UC weekly benefit amount. Provisions of state law relating to availability for work, search for work, and refusal to accept suitable work do not apply.

TABLE 4-7: STATES WITH SEA PROGRAMS		
Delaware	Louisiana ¹	Maine ¹
Mississippi	New Hampshire	New Jersey
New York (expires 12/7/23)	Oregon	Pennsylvania
Rhode Island		
¹ The program authorized by state law, but the program is not currently active.		

CHAPTER 5

NONMONETARY ELIGIBILITY

IN GENERAL

In addition to the monetary requirements in state unemployment compensation (UC) law discussed in Chapter 3, *Monetary Entitlement*, federal law requires individuals meet certain nonmonetary requirements. State UC laws also include various nonmonetary requirements that are not mandated by federal law. Generally, individuals must have separated from work through no fault of their own and they must maintain an ongoing attachment to the labor force. Federal law also requires that an individual be able to work, available to work, and actively seeking work each week for which benefits are claimed.

This chapter is organized from the perspective of an individual experiencing the claims process. First, the state will verify the identity of the individual filing the claim when it is filed or shortly thereafter. Second, the state will determine if there are any issues related to the individual becoming unemployed. Third, the state will explore any issues concerning week-to-week eligibility. Finally, the state will examine whether the individual received any “deductible income” causing a reduction in benefits payable. The impact of earnings from part-time work while collecting benefits (i.e., Benefits for Partial Unemployment) is addressed in Chapter 3, *Monetary Entitlement*.

Usage Note: There is a distinction between issues that result in disqualification and issues that result in weeks of ineligibility. A disqualified individual has no right to benefits until the individual requalifies, usually by obtaining new work or by serving a set disqualification period. In some cases, benefits and wage credits may be reduced. An ineligible individual is prohibited from receiving benefits until the issue causing the ineligibility ceases to exist. Eligibility issues are generally determined on a week-to-week basis.

IDENTITY VERIFICATION

States must have a system to reasonably ensure that the name and Social Security Number (SSN) used to establish eligibility for UC belong to the individual filing the claim. States use a variety of methods to accomplish this task, for example data cross matches, third-party vendor services, and other internally developed tools are used by states to reasonably ensure the individual filing a claim is the owner of the SSN provided for that claim.

The outcome of identity verification differs depending on the circumstances of each case. For example, if during a state’s investigation it requests more information from the individual, and that individual fails to provide the requested information, the individual may be found ineligible, and that individual will remain ineligible until the requested information is provided to the state. However, if a state concludes based upon its evidence that the SSN does not belong to the individual who filed the claim, then the state will deny the claim.

States also have means to protect victims of identity theft. For example, some states transfer the identified fraudulent activity to pseudo claim records, thus preserving the fraudulent claim activity record while still allowing the owner of the SSN to file a valid claim. For additional information on reporting unemployment identity theft, visit <https://www.dol.gov/fraud>.

NONMONETARY ELIGIBILITY

SEPARATIONS FROM EMPLOYMENT

States determine nonmonetary eligibility by examining many factors related to a claim, including the circumstances surrounding an individual's separation from work. For example, an individual who left work because of illness or to take care of a family member who is ill may have a qualifying job separation under state law, however, the individual may not be able to work or available to work. In this example, the individual may be ineligible because the individual is not able to work or available to work, but the ineligibility would last only until the individual was again able and available. Generally, separations from employment are grouped into two categories: Voluntary and Involuntary. Below we will explore the differences between the two types under various state laws.

VOLUNTARILY SEPARATIONS—The UC program is designed to compensate wage loss due to a separation from work for which the individual is not at fault or has good cause for leaving. Voluntarily leaving work without good cause is a reason for disqualification from benefits under all states' laws, though the definition of "good cause" varies by state.

Good Cause for Voluntarily Leaving—In all states, individuals who leave work voluntarily must have had good cause to do so in order to avoid being disqualified from receiving benefits. The following tables are intended to provide a general overview of various good cause for voluntary leaving provisions in the states, but they are not meant to be exhaustive. Consult the appropriate state statute, regulation, or policy for more specific information.

In many states, good cause is explicitly restricted to good cause connected with the work, attributable to the employer, or involving fault on the part of the employer. However, a state may also interpret its law to include good personal cause for voluntarily leaving work. Because a state law limiting good cause to the work is more restrictive, it may contain specific exceptions that are not necessary in states that recognize good personal cause. For example, an explicit provision not disqualifying an individual who quits to accompany a spouse to a new job might not be necessary in a state that recognizes good personal cause, but it would be necessary in a state restricting good cause to that which is related to the work.

The following table reflects states that have provisions allowing good cause for voluntarily leaving work due to reasons connected to the work.

TABLE 5-1: STATES WITH WORK-CONNECTED GOOD CAUSE PROVISIONS							
State	Basis	State	Basis	State	Basis	State	Basis
AL	L	AZ	L, R	AR	L	CO	L
CT	L	DE	L	DC	L	FL	L
GA	L	ID	L, R	IL	L	IN	L
IA	L	KS	L	KY	L	LA	L
ME	L, R	MD	I	MA	L	MI	L
MN	L	MO	L	MT	L, R	NE	L
NH	L	NJ	L, R	NM	L	NC	L
ND	L	OK	L	PR	I	SC	I
SD	I	TN	L	TX	L	VT	L
WA	L	WV	L	WI	I	WY	L
KEY: L = law, R = regulation, I = interpretation or policy							

NONMONETARY ELIGIBILITY

The following tables indicate common good cause provisions for non-work-related circumstances. North Carolina is the only state that does not include any of these provisions in its state law. Note that “Sexual or Other Harassment” in Table 5-2 does not include issues related to domestic violence—those are covered in Table 5-3.

TABLE 5-2: STATES WITH PERSONAL GOOD CAUSE - GENERAL PROVISIONS				
State	To Accept Other Work	Join the Armed Forces	Sexual or Other Harassment	Individual's Illness
AL	L		L ¹	L
AK	L ²	I	I	I
AZ	R	R	R	R
AR			L	L
CA	R		L	R
CO	L ²	I	L	L ⁴
CT	L ²		R	R, I ³
DE			I	L, R
DC			R	R ³
FL	L ²			L
GA	I	I	R ⁴	R ^{3, 4}
HI	R	I	L, R	I
ID	R	L	R	R
IL	L		L	L ³
IN	L	L	L	L
IA	L	R	I	L
KS	L ²	L	L	L
KY	L		I ¹	I ³
LA	I ²		I	
ME	L, R	I	R	L, R ³
MD			I	L ³
MA	L	I	L	I
MI	L	I	I	L ³
MN	L	I	L	L ⁴
MS	I		L	I
MO	L ²	I ⁷	I	I
MT	L		L, R ⁵	L, R
NE	L ²		L	L
NV	L	I	I	I
NH	L, R ²		I	L ³ , R
NJ	R		I	L, R
NM	L	L, R	L, R	L
NY	I	I	I	I

NONMONETARY ELIGIBILITY

TABLE 5-2: STATES WITH PERSONAL GOOD CAUSE - GENERAL PROVISIONS

State	To Accept Other Work	Join the Armed Forces	Sexual or Other Harassment	Individual's Illness
ND	L ²		L	L
OH	L ²	L ⁷	I	I
OK			I	L
OR	R ²	I ⁷	I ⁴	I ^{3, 4}
PA	I	I	I ⁴	I ⁴
PR	I		I	I
RI	I	I	L	I
SC			I	
SD	L ²		I	L
TN		L	L	L ³
TX	L		L	L
UT	R	I	R	R
VT	I ⁶		I	
VA	L ²		L ⁴	L ⁴
VI	I	I	I	I
WA	L	L	L, R	L ³
WV			I	L
WI	L		L	L
WY				L

KEY: L = law, R = regulation, I = interpretation or policy

¹ Only if the sexual harassment occurred on the job.

² State has specific requirements related to the pay, hours, or type of work the individual quit to accept; when new work must begin; or other requirements related to either the new or old job.

³ Requires illness be related to work; physician recommendation/certification and/or failure of the employer to provide accommodations; or other specific limitation.

⁴ Requires employer notification or pursuit of reasonable alternatives/adaptations prior to leaving.

⁵ If individual or individual's child is a victim of sexual assault or stalking, and individual quit to protect self or child from sexual assault or stalking.

⁶ Only if the new job never materializes due to lack of work.

⁷ The military service must be considered better work, based on wages, hours, and/or permanency; and/or the service must begin within a specific period of time after the separation.

Separations caused by domestic and/or sexual violence commonly arise in the context of a voluntary separation from work, and many states address such separations within their voluntary separation provisions. However, it is important to note that domestic and sexual violence may also be the basis for an involuntary separation from work. For example, an individual who has violated an employer's attendance policy, resulting in their termination, may have done so because of domestic or sexual violence issues.

State UC laws differ in how they apply provisions related to domestic and sexual violence. For example, a state may include casual dating relationships, whereas another state may not. Some limit the application of the provision to the claimant, others cover others in a family relationship (i.e. child). Additionally, states differ in the type of proof an individual may present to show domestic or sexual violence.

NONMONETARY ELIGIBILITY

For example, some states may permit sworn statements from the victim whereas others may require documentation or statements from counselors or law enforcement. Some states also have unique confidentiality rules that apply to domestic and/or sexual violence survivors. The following table shows states that provide good cause for separation due to circumstances surrounding domestic violence.

TABLE 5-3: STATES WITH PERSONAL GOOD CAUSE RELATED TO DOMESTIC VIOLENCE							
AK	L	AZ	L	AR	L	CA	L
CO	L ¹	CT	L	DE	L	DC	L, R ^{1, 2}
FL	L	GA	L, R	HI	L ¹	IL	L
IN	L	IA	I	KS	L ¹	ME	L, R
MD	L	MA	L	MN	L ¹	MS	R
MT	L	NE	L	NV	L	NH	L, R
NJ	L, R	NM	L, R	NY	L ¹	NC	L
ND	L	OK	L	OR	L, R	PA	I
PR	I	RI	L	SC	L ¹	SD	L
TX	L	UT	I	VI	L	WA	L, R
WI	L	WY	L				
KEY: L = law, R = regulation, I = interpretation or policy							
¹ Includes immediate family member							
² This law also applies to discharge separations from employment							

The following table shows states that provide good cause for separation to perform marital, domestic, or other family obligations.

TABLE 5-4: STATES WITH PERSONAL GOOD CAUSE TO PERFORM MARITAL, DOMESTIC, OR FAMILY OBLIGATIONS					
State	Basis	Includes Illness or Disability of Family Member	State	Basis	Includes Illness or Disability of Family Member
AK	R	X	AZ	R	
AR	L ¹	X	CA	L, R ²	X
CO	L ³	X	CT	L	X
DE	L	X	DC	L	X
HI	L	X	IL	L ²	X
IA	L		KS	I	
ME ⁶	L, R ²	X	MA	I	X
MN	L ^{2, 4}	X	NE	L ⁴	X
NV	L ⁴	X	NH	L	X
NY ⁴	L, I ⁵	X	OH	L	
OK	L	X	OR	L, R ⁴	X
PA	I ⁴	X	RI	L	X
SC	L	X	TX	L	
UT	I		VA	I ^{2, 4}	X

NONMONETARY ELIGIBILITY

TABLE 5-4: STATES WITH PERSONAL GOOD CAUSE TO PERFORM MARITAL, DOMESTIC, OR FAMILY OBLIGATIONS

State	Basis	Includes Illness or Disability of Family Member	State	Basis	Includes Illness or Disability of Family Member
VI	L		WA	L ^{2, 4}	X
WV ⁶	L		WI	L ²	X

KEY: L = law, R = regulation, I = interpretation or policy

¹ Includes pregnancy.

² Must discuss quit with employer and attempt to retain employment relationship; see state laws for more specific requirements.

³ Includes provisions regarding employer's medical leave policies and the Family Medical Leave Act.

⁴ All reasonable alternatives to quitting must have been pursued.

⁵ Quit is acceptable if individual is unable to accept a particular shift as a result of undue family hardship.

⁶ Quit is acceptable if due to shift change resulting in loss of childcare (individual must be available for full-time work on original shift).

Good Cause – Voluntarily Leaving Work to Follow Spouse—Many states have provisions of law that allow benefits to individuals who quit work to accompany a spouse due to a change in the spouse's employment location. In those states, it is considered good cause to quit if the new employment location is impractical to commute. Some states define an impractical commute, while others do not. Several states have provisions related to military spouses relocating, but state laws vary regarding the circumstances when the spouse of a service member is eligible for benefits. See a state's law for specific eligibility factors.

Good Cause – Other Provisions—In addition to the items described in Tables 5-1 through 5-4, some states include a more general reference to "good cause" in their laws, while several states provide other specific circumstances under which an individual may have good cause. Examples of reasons that may constitute good cause include the following:

- transportation difficulties;
- a permanent change in the work conditions that have a negative impact on the employee, including a reduction in pay or a requirement to relocate;
- accepting a voluntary lay off when an employer announces a planned layoff;
- certain circumstances related to part-time employment;
- compulsory retirement (some states treat as voluntary separation, while other treat as involuntary);
- circumstances caused by a declared state or national public health emergency, including the need to quarantine or care for dependents;
- to attend approved training; or
- leaving due to a violation of the work agreement or a change in the work conditions that are less favorable.

Good Cause – Its Relation to Other Laws—Some states define good cause provisions related to other state and federal laws. Examples of these types of provisions include leaving work as a result of:

- hazardous work conditions;
- being asked to perform an illegal act or to violate an ordinance or statute; or
- being deprived of equal employment opportunities based on bona fide occupational qualifications.

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Good Cause – Labor Arrangements—Several state laws explicitly address separations that occur under collective bargaining agreements. Separation situations where individuals would not be disqualified under a collective bargaining agreement vary by state, but may include the following:

- accepting a layoff under certain circumstances;
- electing to be laid off in place of a worker with less seniority;
- being placed on a referral list or accepting a referral to another employer from the individual’s hiring hall; or
- an employer’s breach of a collective bargaining agreement.

Good Cause – Suitable Work—Under federal law, an individual is not required to accept work that is less favorable in terms of wages, hours, or other conditions than those prevailing for similar work in the locality. But, if an individual does accept work that is deemed unsuitable and decides to voluntarily leave that work, then some states will not disqualify the individual if, for example, the individual leaves the job within a specified number of days or weeks. Additional considerations are discussed later in this chapter under the heading “Criteria for Suitable Work.”

Good Cause – Temporary Service Employers—Several states provide that an employee of a temporary service employer voluntarily leaves work if the employee, upon completion of an assignment, fails to contact the employer for additional assignments if required by the employer. These states require the temporary service employer to provide employees with notice that the employee must contact the temporary service employer upon the completion of an assignment and that failure to do so may result in benefit denial. Some states have specific provisions regarding the frequency of contact with the temporary service employer in order to remain eligible for unemployment insurance benefits. Please see a state’s law for specific requirements. If it is determined that the claimant’s separation from a temporary service employer is voluntary, then the state will evaluate whether the individual had good cause to voluntarily leave work.

TABLE 5-5: STATES WHERE FAILURE TO CONTACT EMPLOYER UPON COMPLETION OF ASSIGNMENT IS CONSIDERED VOLUNTARY SEPARATION

AL	R	AZ	R	AR	L	CO	L
DE	L	FL	L	GA	L, R	HI	I
ID	L, R	IN	L	IA	L	KS	L
KY	L	LA	L, I	MA	L	MI	L
MN	L	MO	L	NE	L	NJ	L, R
NY	I	ND	L	OK	L	PA	I
PR	I	RI	L	SC	R	SD	I
TN	I	TX	L	UT	L, I	WV	I

KEY: L = law, R = regulation, I = interpretation or policy

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Period and Terms of Disqualification—In most states, a disqualification for voluntarily leaving work without good cause lasts until the individual is again employed and earns a specified amount of wages. A few states also have provisions disqualifying an individual for a fixed number of weeks, and a couple states apply fixed duration disqualifications based on certain circumstances. In some states, benefit rights are reduced in addition to the postponement of benefits.

TABLE 5-6: DISQUALIFICATION TERMS—VOLUNTARILY LEAVING WORK WITHOUT GOOD CAUSE			
State	Benefits Postponed for:		Amount of Benefits Reduced
	Number of Weeks	Minimum Weeks and/or Wages to Requalify	
AL		10 x WBA ¹	3-9 x WBA
AK	WS + 5 ^{1,2}		3 x WBA
AZ		5 x WBA	
AR		At least 30 days of covered work	
CA		5 x WBA	
CO	WF + 10		Wage credits from employer removed from the claim (applies to all BP employers)
CT		10 x WBA ³	
DE		4 weeks of work and 4 x WBA	
DC		10 weeks of work and wages equal to 10 x WBA	
FL		17 x WBA ¹	
GA		10 x WBA ⁴	
HI		5 x WBA	
ID		14 x WBA	
IL		Wages equal to WBA in each of 4 weeks	
IN		Wages in each of 8 weeks and wages $\geq$ 8 x WBA	By 25%
IA		10 x WBA ¹	
KS		3 x WBA	
KY		10 weeks of covered work and wages equal to 10 x WBA ¹	
LA		10 x WBA ¹	
ME		4 x WBA ^{1,3}	
MD	WS + 5-10 ^{1,2}	15 x WBA ^{1,2}	
MA	X ¹	8 weeks of work and wages of 8 x WBA	
MI		12 x WBA	

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TABLE 5-6: DISQUALIFICATION TERMS—VOLUNTARILY LEAVING WORK WITHOUT GOOD CAUSE			
State	Benefits Postponed for:		Amount of Benefits Reduced
	Number of Weeks	Minimum Weeks and/or Wages to Requalify	
MN		One-half of amount required to establish benefit account (See Table 3-3, Base Period Wage and Employment Requirements for Benefits)	
MS		8 x WBA	
MO		10 x WBA ¹	
MT		Wages equal to 6 x WBA ²	
NE	13 ^{1, 5}	4 x WBA	Equal ⁵
NV		Wages equal to WBA in each of 10 weeks ³	
NH		5 weeks of work in each of which earned 20% more than WBA ⁶	
NJ		8 weeks of work and wages equal to 10 x WBA	
NM		5 x WBA in covered work	
NY		3 days work in each of 5 weeks and 10 x WBA	
NC	X ²	10 x WBA earned in at least 5 weeks ²	X ²
ND		8 x WBA	
OH		6 weeks in covered work and wages equal to 27.5% of AWW ^{1, 7}	
OK		10 x WBA	
OR		4 x WBA	8 x WBA
PA		6 x WBA	
PR		4 weeks of work and wages equal to 10 x WBA	
RI		8 x WBA	
SC		8 x WBA	Equal
SD		6 weeks in covered work and wages equal to WBA in each week ¹	
TN		10 x WBA ¹	
TX		6 weeks of work or wages equal to 6 x WBA ⁵	
UT		6 x WBA ¹	
VT	X ⁸	6 x WBA	
VA		30 days or 240 hours of work ¹	
VI		4 weeks of work and 4 x WBA	
WA		7 weeks and earnings in bona fide work of 7 x WBA	

NONMONETARY ELIGIBILITY

TABLE 5-6: DISQUALIFICATION TERMS—VOLUNTARILY LEAVING WORK WITHOUT GOOD CAUSE

State	Benefits Postponed for:		Amount of Benefits Reduced
	Number of Weeks	Minimum Weeks and/or Wages to Requalify	
WV		At least 30 working days of covered employment	
WI	X ⁸	7 weeks and 14 x WBA	Wage credits from employer removed from the claim
WY		8 x WBA	

KEY: WS = Week of separation WF = Week of filing

“Equal” indicates reduction equal to WBA multiplied by number of weeks of disqualification.

¹ Separation preceding the most recent separation may be considered under the following circumstances. **AL** - if last employment not considered bona fide work; **AK, FL, IA, MD, MA, MO, OH, and UT** - when employment or time period subsequent to separation does not satisfy potential disqualification; **LA** - disqualification applicable to base period or last employer; **ME** - disqualification applicable to most recent previous separation if last work was a voluntary quit and was not in usual trade or was intermittent; **VA** - disqualification applicable to last 30-day or 240-hour employer; **DC, SD, and WV** - if employment was less than 30 days unless on an additional claim; **KY and NE** - reduction or forfeiture of benefits applicable to separations from any base-period employer; **TN** - any employer with whom the individual earned 10 x WBA (disqualification does not apply if individual quit to join the armed forces).

² **AK** - disqualification is terminated if individual returns to work and earns at least 8 x WBA; **MT** - disqualification is terminated after individual attends school for three consecutive months and is otherwise eligible; **MD** - the duration disqualification imposed unless a valid compelling or necessitous circumstance exists; **NC** - the agency may reduce permanent disqualification to five weeks, with a corresponding reduction in total benefits; if an employer gives notice of future work separation, disqualification of four weeks imposed if individual establishes good cause for the individual's failure to work out the notice.

³ **ME** - disqualified for duration of unemployment and until individual earns 6 x WBA if voluntarily retired; **NV** - disqualified for W+4 to enter self-employment, and for 10 weeks to seek better employment; **CT** - voluntary retiree disqualified for the duration of unemployment and until 40 x WBA is earned.

⁴ Individual must work for a liable employer and become unemployed through no fault of their own.

⁵ **NE** - a disqualification for the week of separation plus two weeks if individual leaves to accept a better job; **TX** - disqualification begins with week following filing of claim.

⁶ Requirement to earn requalifying wages does not apply to individuals who become unemployed after leaving work to accept better employment.

⁷ If individual left work for compelling domestic circumstances, can requalify by earning the lesser of ½ of AWW or \$60 in covered employment.

⁸ **VT** - disqualified for 1-6 weeks if individual left work due to health reasons; in **WI** - disqualification for week of termination + 4 weeks if individual refuses transfer to a job paying less than 2/3 of wage rate.

INVOLUNTARY SEPARATIONS—A separation is considered involuntary in cases where there is a lack of work or reduction in force, or when an employer terminates the employment of an individual. In terminations from employment, the state looks to whether the individual engaged in misconduct to determine if the individual is eligible for UC. If a separation was not caused by any action or conduct of the individual, benefits would not be denied.

Discharge for Misconduct Connected with the Work—The disqualification provisions for a discharge for misconduct (which may be called a discharge for “just cause” or “a disqualifying act”) follow a pattern similar to that for voluntary leaving. Many states provide for greater disqualification in the case of discharge for dishonesty or a criminal act, or other acts of aggravated misconduct.

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Historical Note: In determining what constitutes misconduct, many states rely on the definition established in the 1941 Wisconsin Supreme Court Case, Boynton Cab Co. v. Neubeck, 237 Wis. 249, 296 N.W. 636 (1941):

“Misconduct . . . is limited to conduct evincing such willful or wanton disregard of standards of behavior which the employer has the right to expect of his employee, or in carelessness or negligence of such degree as to manifest an equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer’s interest or of the employee’s duties and obligations to his employer.”

In some states, the definition of misconduct is expanded to include specific offenses or circumstances, such as:

- violations related to an attendance policy, or chronic or excessive absenteeism or tardiness;
- violations of an employer rule or policy;
- participation in an illegal strike as determined under state or federal laws, without good cause or notice to the employer;
- damage to an employer’s or a customer’s property;
- conduct that neglects or endangers the health and safety of others;
- violation of a state standard or regulation, loss or failure to obtain or maintain a license or certification that is a requirement of the position, or failure to maintain standards of the profession;
- falsification of an employment application or any other documentation provided to the employer;
or
- absence from work due to incarceration or violation of a law related to employment.

Misconduct Related to Illegal Drug and Alcohol Use—The following table includes information about states with provisions in their UC law dealing specifically with alcohol and/or illegal drugs, and testing for alcohol or illegal drugs.

TABLE 5-7: STATES WITH DRUG AND/OR ALCOHOL RELATED DISCHARGE PROVISIONS	
AL	Testing positive for illegal drugs after being warned of possible dismissal, for refusing to undergo drug testing, or for knowingly altering a blood or urine specimen
AK	Reporting to work under the influence of drugs/alcohol, consumption on the employer’s premises during work hours, or violation of employer’s policy as long as policy meets statutory requirements
AZ	Refusing to undergo drug or alcohol testing, or having tested positive for drugs or alcohol
AR	Drinking on the job or reporting for work while under the influence of intoxicants, including a controlled substance; if discharged for testing positive for an illegal drug
CA	Chronic absenteeism due to intoxication, reporting to work while intoxicated, using intoxicants on the job, or gross neglect of duty while intoxicated, when any of these incidents is caused by an irresistible compulsion to use intoxicants; also disqualified if individual quit for reasons caused by an irresistible compulsion to use intoxicants
CT	If discharged or suspended due to being disqualified from performing work under state or federal law for which hired as a result of a drug or alcohol testing program mandated and conducted by such law. If by medical or professional evidence or testimony an individual is found to be physically addicted to alcohol or drugs, the misconduct is not deemed intentional, or deliberate, or reckless, and therefore not willful misconduct.
FL	Drug use, as evidenced by a positive, confirmed drug test

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TABLE 5-7: STATES WITH DRUG AND/OR ALCOHOL RELATED DISCHARGE PROVISIONS	
GA	Violating an employer's drug-free workplace policy
IL	Consuming alcohol or illegal drugs, non-prescribed prescription drugs, or using an impairing substance in an off-label manner on the employer's premises during working hours in violation of the employer's policies, or showing up to work impaired during normal working hours
KS	Use or Impairment while working; testing positive under limited circumstances and requiring an on-the-job impact (by court decision); refusing to test; tampering with the test or diluting the test sample.
KY	Reporting to work under the influence of drugs/alcohol, or consuming them on employer's premises during working hours
LA	Using illegal drugs and nonprescribed controlled substances, on or off the job, and refusing to submit to drug testing pursuant to a written rule or policy on substance abuse
MI	Illegally ingesting a controlled substance on the employer's premises, for refusing to submit to a drug test that was required to be administered in a nondiscriminatory manner, or for testing positive on a drug test that was administered in a nondiscriminatory manner
MO	Any drug/alcohol use; positive pre-employment drug/alcohol test is considered misconduct
MT	Testing positive or refusal to provide a test sample, in accordance with a written drug test policy that has been conveyed to employees. Excludes positive tests of marijuana and marijuana products by registered MT card holders.
NE	Being under the influence of an intoxicating beverage or controlled substance (non-prescribed) while on the worksite or engaged in work
NH	Intoxication or use of drugs that interferes with work
NJ	Testing positive or refusal to provide a test sample, in accordance with a written drug test policy that has been conveyed to employees
OK	Refusing to undergo drug or alcohol testing, or having tested positive for drugs or alcohol
OR	Failing or refusing to take a drug or alcohol test as required by employer's written policy; being under the influence of intoxicants while performing services for the employer; possessing a drug unlawfully; testing positive for alcohol or an unlawful drug in connection with employment; or refusing to enter into/violating terms of a last-chance agreement with employer; not disqualified if participating in a recognized rehabilitation program within 10 days of separation
PA	Failing to submit to and/or pass a drug test conducted pursuant to an employer's established substance abuse policy, provided that the drug test is not requested or implemented in violation of the law or of a collective bargaining agreement
SC	Failing or refusing to take a drug test or submitting to a drug test which tests positive for illegal drugs or legal drugs used unlawfully
TN	Failing to submit to and/or pass a drug or alcohol test
UT	A positive alcohol test result or refusal to provide a sample (drug or alcohol) consistent with the employer's written drug and alcohol policy
WV	Reporting to work in an intoxicated condition or under the influence of any controlled substance without a valid prescription; for being intoxicated or under the influence of any controlled substance without a valid prescription while at work; for manipulating a sample or specimen to thwart a lawfully required drug or alcohol test; for refusal to submit to random drug testing for employees in safety-sensitive positions
VA	A positive test for a nonprescribed controlled substance, confirmed by a qualified drug screen conducted in accordance with the employer's bona fide drug policy

Period and Terms of Disqualification—Disqualification for discharge for misconduct, as for voluntary leaving, is usually based on the circumstances of separation from the most recent employment. However, as indicated in the following table, a few states' laws require consideration of the reasons for separation from employment other than the most recent. Some states provide for disqualification for disciplinary suspensions.

In most states, the disqualification lasts until the individual is again employed and earns a specified amount of wages. A few states also have provisions disqualifying an individual for a fixed number of weeks, and some states apply fixed duration disqualifications based on certain circumstances. Additionally, some states reduce or cancel all of the individual's benefit rights, and some cancel an individual's wage credits.

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Federal law permits cancellation of wage credits for only three reasons:

- Misconduct in connection with the work;
- Fraud in connection with a claim; or
- Receipt of disqualifying income.

The severity of the cancellation penalty depends mainly on the presence or absence of additional wage credits during the base period. If the wage credits canceled extend beyond the base period for the current benefit year, the individual may not be monetarily eligible in the subsequent benefit year.

TABLE 5-8: DISQUALIFICATION TERMS—DISCHARGE FOR MISCONDUCT					
State	Includes Other Than Last Employer	Benefits Postponed for:		Amount of Benefits Reduced or Canceled	Disqualification for Disciplinary Suspension
		Number of Weeks	Minimum Weeks and/or Wages to Requalify		
AL	X ¹		10 x WBA	Equal	WS + 1-3
AK		WS + 5 ^{1,2}		3 x WBA	Same as discharge for misconduct
AZ			5 x WBA		
AR			30 days covered employment		Lesser of duration of suspension or 8 weeks
CA			5 x WBA		
CO		WF + 10		Equal	
CT			10 x WBA		Same as discharge for misconduct
DE			4 weeks of work and 4 x WBA		
DC	X ¹	8 ²	8 weeks of work and 8 x WBA	8 x WBA	
FL	X ¹	WS + 1-52 ²	17 x WBA		Duration
GA			10 x WBA	Equal	Same as discharge for misconduct
HI			5 x WBA		
ID	X ¹		14 x WBA		Same as discharge for misconduct
IL			Wages equal to WBA in each of 4 weeks		
IN			Wages in each of 8 weeks and wages $\geq$ 8 x WBA	25%, only one reduction during benefit year	
IA			10 x WBA		Same as discharge for misconduct
KS			3 x WBA		
KY			10 weeks of covered work and wages equal to 10 x WBA		
LA			10 WBA		

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TABLE 5-8: DISQUALIFICATION TERMS—DISCHARGE FOR MISCONDUCT					
State	Includes Other Than Last Employer	Benefits Postponed for:		Amount of Benefits Reduced or Canceled	Disqualification for Disciplinary Suspension
		Number of Weeks	Minimum Weeks and/or Wages to Requalify		
ME			8 x WBA		Duration or until earns 8 x WBA
MD	X ¹	WS + 10-15			Same as discharge for misconduct
MA	X ¹		8 weeks of work and wages of 8 x WBA		
MI			17 x WBA		
MN			One-half of amount required to establish benefit account (See Table 3-3, Base Period Wage and Employment Requirement for Benefits)		Duration
MS			8 x WBA		
MO	X ¹		6 x WBA for each disqualifying separation		Same as discharge for misconduct
MT			Wages equal to 8 x WBA		
NE	X ¹	14		Equal	
NV			Wages equal to WBA in each of 15 weeks		
NH			5 weeks work in each of which earned 20% more than WBA		Duration
NJ	X ¹	WS + 5			Same as discharge for misconduct
NM			5 x WBA in covered work		
NY			10 x WBA		
NC		X ²	10 x WBA in at least 5 weeks	X ²	
ND	X ¹		10 x WBA		Duration
OH	X ¹		6 weeks in covered work plus wages equal to 27.5% of state AWW		Duration
OK			10 x WBA		
OR			4 x WBA	8 x WBA	Same as discharge for misconduct
PA			6 x WBA		Same as discharge for misconduct
PR			4 weeks of work and wages equal to 10 x WBA		Same as discharge for misconduct
RI	X ¹		8 x WBA		Same as discharge for misconduct
SC		WF + 20 ⁴		Equal	

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TABLE 5-8: DISQUALIFICATION TERMS—DISCHARGE FOR MISCONDUCT

State	Includes Other Than Last Employer	Benefits Postponed for:		Amount of Benefits Reduced or Canceled	Disqualification for Disciplinary Suspension
		Number of Weeks	Minimum Weeks and/or Wages to Requalify		
SD	X ¹		6 weeks in covered work and wages equal to WBA each week		Same as discharge for misconduct
TN	X ¹		10 x WBA		
TX			6 weeks of work or wages equal to 6 x WBA		
UT	X ¹		6 x WBA in covered work		
VT		WF + 6-15			
VA	X ¹		30 days or 240 hours of work		Duration
VI			4 weeks of work and 4 x WBA		Same as discharge for misconduct
WA			10 weeks and earnings in bona fide work 10 x WBA		Same as discharge for misconduct
WV	X ¹	WS + 6		Equal ⁵	
WI			7 weeks elapsed and 14 x WBA	Benefit rights based on any work involved canceled	
WY			12 x WBA		

KEY: WS = Week of separation WF = Week of filing

“Equal” indicates a reduction equal to the WBA multiplied by the number of weeks of disqualification.

¹ Disqualification pertains only to last separation unless indicated. **AL** - the preceding separation may be considered if last employment is not considered bona fide work; **FL, ID, MD, MA, MO, OH, RI, and UT** - a previous employer may be considered if the work with the separating employer does not satisfy a potential disqualification; **VA** - disqualification is applicable to last employing unit for which individual has worked 30 days or 240 hours and all subsequent employers; **DC, SD, and WV** - disqualification is applicable to last 30-day employing unit on new claims and to most recent employer on additional claims; **ND** - any employer with whom the individual earned 8 x WBA; **NE** - reduction or forfeiture of benefits applicable to separations from any base-period employer; **NJ** - provided the period of disqualification has not elapsed prior to the date of claim.

² **AK** - the disqualification is terminated if individual returns to work and earns 8 x WBA; **DC** - disqualification ends if individual meets either the number of week or the work and earning requirements; **FL** - both the number of weeks and the requalifying wage requirements are imposed; **NC** - the agency may reduce permanent disqualification to time certain, but not less than five weeks; when permanent disqualification changed to time certain, benefits are reduced by an amount equal to the number of weeks of disqualification x WBA. Also, an individual will be disqualified for substantial fault on the part of the individual that is connected with work but not rising to the level of misconduct. The disqualification will vary from 4-13 weeks depending on the circumstances.

³ Partial ineligibility of 5 to 19 weeks, plus waiting week, if individual is discharged for cause other than misconduct. Duration of ineligibility period determined in each case according to the seriousness of the cause for discharge.

⁴ Benefit reduction is restored if individual returns to covered employment for at least 30 days within BY.

Gross Misconduct—Some states provide greater disqualifications for certain types of misconduct. For purposes of this section, all of these greater disqualifications will be considered disqualifications for “gross misconduct” even if the state’s law does not specifically use this term. States define gross misconduct in terms such as:

- Discharge for dishonesty or an act constituting a crime or a felony in connection with the work, if the individual is convicted or signs a statement admitting the act;
- Discharge for a dishonest or criminal act in connection with the work;

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- Discharge for dishonesty, intoxication (including a controlled substance), or willful violation of bona fide written rules or customs of the employer including those pertaining to safety, harassment, unprofessional conduct, or insubordination;
- Assault or threatened assault upon supervisors, coworkers, or others at the work site;
- Assault, bodily injury, property loss or damage amounting to at least \$2,000, theft, sabotage, embezzlement, or falsification of employer's records;
- Being placed on a disciplinary suspension;
- Any act that would constitute a gross misdemeanor or felony;
- Theft, fraud, intentional damage to property, intentional infliction of personal injury, or any conduct that constitutes a felony. Gross misconduct also includes the use of, or impairment from, alcohol or drugs by an individual while working, or a positive breath alcohol test or chemical test administered pursuant to specific requirements;
- Conviction of a felony or misdemeanor in connection with work; and
- Assault, theft, or willful destruction of property.

TABLE 5-9: DISQUALIFICATION TERMS—GROSS MISCONDUCT

State	Includes Other Than Last Employer	Benefits Postponed For:			Amount of Benefits Reduced or Canceled
		Fixed Number of Weeks	Variable Number of Weeks	Minimum Weeks and/or Wages to Requalify	
AL	X ¹			10 x WBA ¹	Wages earned from employer involved canceled
AK		52		20 x WBA	
AR				Wages in 2 quarters for insured work totaling not less than 35 x WBA	
CO		26			Equal
DC				10 weeks of work and wages equal to 10 x WBA	
FL			Up to 52	17 x WBA	
GA				12 x WBA for physical injury/bodily harm or theft of \$100 or less 16 x WBA for Property loss or damage of \$2000 or more, or theft of \$100 or more	
IL					All prior wage credits canceled ²
IN					All prior wage credits canceled ²
IA					All prior wage credits canceled
KS				8 x WBA	All prior wage credits canceled
LA	X ¹			10 x WBA ¹	Wages earned from employer involved canceled ¹
ME				Greater of \$600 or 8 x WBA	
MD				25 x WBA ³	

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TABLE 5-9: DISQUALIFICATION TERMS—GROSS MISCONDUCT

State	Includes Other Than Last Employer	Benefits Postponed For:			Amount of Benefits Reduced or Canceled
		Fixed Number of Weeks	Variable Number of Weeks	Minimum Weeks and/or Wages to Requalify	
MI	X ¹	26 ¹		In each of 13 weeks, earnings at least 1/13 of minimum qualifying high quarter amount ⁴	
MN				8 x WBA	Wages earned from employer involved canceled
MO	X ¹			6 x WBA for each disqualifying separation ^{1, 5}	Optional ⁵
MT		12 months			Equal
NE					All prior wage credits canceled
NV					Benefit rights based on any work involved canceled ⁶
NH			WS + 4-26 ⁶	5 weeks work in each of which earned 20% more than WBA	All prior wage credits canceled
NJ	X ¹			8 weeks of covered work and wages equal to 10 x WBA	Wages earned from employer involved canceled
NY	X ¹	12 months ¹			Wages earned from employer involved canceled
ND		12 months			
OH	X ¹				Benefit rights based on any work involved canceled ¹
OR					All prior wage credits canceled
SC				8 x WBA	Optional equal
UT		WS + 51			All wage credits from the separating employer are canceled
VT				6 x WBA	Wages earned from employer canceled
WA					Greater of all hourly wage credits from employer involved or 680 hours of wage credits, canceled
WV	X ¹			30 days in covered work	

KEY: WS = Week of separation WF = Week of filing

¹ **AL** - disqualification applies to other than most recent separation from bona fide work only if employer files timely notice alleging disqualifying act; **LA**, **MI**, and **MO** - disqualification is applicable for all base-period employers; **OH** - applies if unemployed because of dishonesty or felony in connection with employment; **NY** - no days of unemployment deemed to occur for following 12 months if individual is convicted or signs statement admitting felonious act in connection with employment; **WV** - reduction or forfeiture of benefits is applicable to either most recent work or last 30-day employing unit; **NJ** - any base period employer.

² **IL** - wage credits are cancelled if gross misconduct constitutes a felony or theft and is admitted by the individual or has resulted in conviction in a court of competent jurisdiction; **IN** - same applies if gross misconduct constitutes a felony or misdemeanor.

³ Has provision for aggravated misconduct, which consists of either physical assault, property loss, or damage so serious and with malice that the gross misconduct penalty is not sufficient. Disqualification is duration of unemployment and earnings of at least 30 x WBA.

⁴ Or individual must file a continued claim in each of 13 weeks and certify as to satisfaction of all usual weekly eligibility requirements.

⁵ Option taken by the agency to cancel all or part of wages depends on seriousness of misconduct. The only wage credits canceled are those based on work-connected misconduct.

⁶ **NH** - if discharged for arson, sabotage, felony, assault causing bodily injury, criminal threatening, or theft equal to or greater than \$250, all prior wage credits are canceled; **NV** - if individual is discharged and admits in writing or under oath, or is convicted for assault, arson, sabotage, grand larceny, embezzlement, or wanton destruction of property in connection with work, wage credits from that employer are canceled.

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DISQUALIFICATION FOR UC FRAUD AND MISREPRESENTATION

In addition to monetary penalties and prosecution, an individual committing fraud when applying for UC may also be disqualified from receiving benefits. In a few states there is a more severe disqualification when the fraudulent act results in payment of benefits. In other states, it is more severe when the individual is convicted (see Table 6-3).

In a few states, the disqualification is not imposed unless the individual is convicted. In other states, the individual is not subject to an administrative disqualification if penal procedures have been undertaken or if the benefits are being or have been recovered.

Some states include a statutory limitation on the period within which a disqualification for fraudulent misrepresentation may be imposed (see states with footnote 3 in Table 5-10). The length of the disqualification period varies but is generally a year. In a few states, the disqualification period runs from the date of the offense to the filing of a claim for benefits. In these states, the disqualification can be imposed only if the individual files a claim for benefits within two years of the date of the fraudulent act. In many states, the penalty for disqualification for fraud or misrepresentation is more severe than the ordinary disqualification provisions.

Some disqualifications start with the date of the fraudulent act, while others begin with the discovery of the act, the determination of fraud, the date on which the individual is notified to repay the sum so received, or the date of conviction by a court. Some begin with the filing of a first claim, while others are for weeks that would otherwise be compensable.

As the following table shows, the cancellation of wage credits in many states means the denial of benefits for the current benefit year or longer. A disqualification for a year means that wage credits will have expired, in whole or in part, depending on the end of the benefit year and the amount of wage credits accumulated for another benefit year before the fraudulent act. Thus, future benefits are reduced as if there had been a provision for cancellation. In other states with discretionary provisions or shorter disqualification periods, the same result will occur for some individuals.

In many states, as noted in the table below, the agency may deny benefits until the benefits obtained through fraud are repaid although some states impose a time limit for the denial. In some states, an individual may qualify after a specified period of time and repayment is made through an offset of the benefits.

TABLE 5-10: DISQUALIFICATION TERMS—UC FRAUD AND MISREPRESENTATION		
State	Duration of Disqualification	Benefits Reduced or Canceled
AL	52 weeks for 1 st offense and 104 weeks for 2 nd and subsequent offenses	4 x WBA to maximum benefit amount payable in BY ¹
AK	W + 6 – 52	X ¹
AZ	Until total amount of overpayment and all penalties and interest have been recovered or otherwise satisfied in compliance with a civil judgment ^{2, 3}	X ¹
AR	W + 13; additional 3 weeks for each week of fraud ^{2, 3}	Benefits canceled in BY in which fraud occurred
CA	If convicted, 52 weeks ^{2, 3, 4}	X ¹
CO	4 – 104 weeks	X ¹
CT	Full amount of overpayment must be repaid	Mandatory equal reduction
DE	W + 51	X ¹
DC	All or part of remainder of BY and for 1 year commencing with the end of such BY ^{1, 2}	X ¹
FL	1 – 52 weeks and until fraudulent overpayments are repaid in full ²	X ¹

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TABLE 5-10: DISQUALIFICATION TERMS—UC FRAUD AND MISREPRESENTATION

State	Duration of Disqualification	Benefits Reduced or Canceled
GA	Remainder of current quarter and next 4 quarters ³	Mandatory equal reduction ³
HI	24 months ^{2, 3}	X ¹
ID	W + 52; amounts fraudulently received, plus penalty and interest, must be repaid ^{2, 3}	X ¹
IL	W + 6 weeks; if additional offenses, up to ^{2, 3}	
IN	Up to current BY	All wage credits prior to act canceled
IA	Up to current BY ²	Mandatory equal reduction
KS	After all overpaid benefits, interest, penalties, costs, and fees are repaid, 1 year for first occurrence, 5 years any subsequent occurrence	X ¹
KY	Unreported earnings: W + additional weeks based on amount of unreported earnings (up to 52 W); nondisclosure of info other than wages: W + 26 ²	X ¹
LA	For remainder of BY after commission of fraudulent act and then continuing for 52 weeks following determination of fraud	X ¹
ME	6 months - 1 year; for 3 rd occurrence disqualification determined by the Commissioner ²	
MD	All benefits and interest repaid ²	X ¹
MA	A compensable week for each week overpaid	25% of WBA
MI	Current BY and until such amounts are repaid or withheld ^{2, 3}	All base period wages canceled; benefits canceled in BY in which fraud occurred
MN	13 – 104 weeks	X ¹
MS	W + up to 52 weeks; first overpayment results in 6 weeks for each fraudulent week; any additional overpayment results in 12 weeks for each fraudulent week	X
MO	Up to current benefit year + ⁵	All or part of wage credits prior to act canceled
MT	1 – 52 weeks and until benefits are repaid ²	
NE	Up to current benefit year + ⁵	All or part of wage credits prior to act canceled
NV	W + 1 – 52 or until sum equal to all benefits received or paid plus any interest, penalties, or costs related to that sum is repaid, whichever is longer; period of disqualification will be fixed according to the circumstances in each case ⁶	X ¹
NH	4 – 52 weeks; if convicted, 1 year after conviction; and until benefits are repaid or withheld ²	Mandatory equal reduction
NJ	1 year ²	X ¹
NM	Not more than 52 weeks ²	X ¹
NY	4 – 80 days for which otherwise eligible ^{2, 3}	Mandatory equal reduction
NC	52 weeks ²	X ¹
ND	W + 51	X ¹
OH	Amount of fraudulent benefits must be repaid, and individual held ineligible for 2 otherwise valid weekly claims for each weekly claim canceled	2 penalty weeks are served for each week in which fraud occurred
OK	W + 51 ^{2, 3}	BP or BY may not be established during period
OR	52 weeks; if convicted, until benefits are repaid or withheld ^{2, 3, 5}	If convicted, all wage credits prior to conviction canceled ⁶
PA	2 weeks plus 1 week for each week of fraud or, if convicted of illegal receipt of benefits, 1 year after conviction and until benefits are withheld or repaid ³	X ¹
PR	W + 51 provided that criminal procedures have not been filed against individual ^{2, 3}	

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TABLE 5-10: DISQUALIFICATION TERMS—UC FRAUD AND MISREPRESENTATION

State	Duration of Disqualification	Benefits Reduced or Canceled
RI	If convicted, 1 year after conviction	X ¹
SC	W + 10 – 52 ²	X ¹
SD	Benefits denied for weeks of compensable unemployment from and after the discovery date of fraud, until benefits are repaid	X ¹
TN	W + 4 – 52 ²	X ¹
TX	Current BY	Benefits or remainder of BY canceled
UT	W + 13 – 49, and until benefits received fraudulently are repaid	X ¹
VT	If not prosecuted, until amount of fraudulent benefits are repaid or withheld + 1 - 26 weeks ^{2, 3}	X ¹
VA	W + 52; if convicted, 1 year after conviction, or until repaid ^{2, 3}	X ¹
VI	W + 51 ^{2, 3}	X ¹
WA	Week of fraudulent act + 26 weeks following filing of 1 st claim after determination of fraud for 1 st offense; plus additional 52 weeks for 2 nd offense; plus additional 104 weeks for 3 rd and subsequent offenses ³	X ¹
WV	W + 52 ²	
WI	Each week of fraud	1 - 4 x WBA ¹
WY	W + 51 ²	

KEY: W = week in which act occurs.

¹ Before disqualification period ends, wage credits may or will have expired in whole or in part depending on disqualification imposed and/or end of BY.

² **DC, HI, ID, IL, IA, MD, MT, NH, NM, OK, PR, SC, VA, and WV** - period of disqualification is measured from date of determination of fraud; **ME and NC** - mailing date of determination; **VT** - date of redetermination of fraud; **AR** - date of delivery or mailing of determination; **AZ** - date of claim or registration for work; **CA** - week determination is mailed or served, or any subsequent week for which individual is first otherwise eligible for benefits, or if convicted, week in which criminal complaint is filed; **FL, NY, and TN** - waiting or compensable week after its discovery; **OR** - as determined by agency; **KY, MI, and NJ** - date of discovery of fraud; **VI** - determination mailed or delivered; **WY** - week of fraud or week following the date notice is mailed.

³ Has a statutory limitation.

⁴ Disqualification of 2 - 15 weeks if no benefits paid; 5 - 15 weeks if benefits received. Director may extend the period of ineligibility for an additional period not to exceed eight additional weeks for successive disqualification; disqualification may be served concurrently with a disqualification imposed for any of the three major causes if individual registers for work for such week as required under latter disqualifications.

⁵ **MO, NE, and OR** - cancellation of all wage credits means that period of disqualification will extend into second BY, depending on amount of wage credits for such year accumulated before fraudulent claim.

⁶ May be waived for good cause, or if the individual adheres to an authorized repayment schedule designed to repay benefits, penalties, and interest within 18 months.

DRUG TESTING AS A CONDITION OF ELIGIBILITY

Federal law permits states to conduct drug testing on individuals applying for benefits if the individual was discharged from employment for unlawful drug use, or if the only suitable work available to the individual is in an occupation that regularly conducts drug testing. States are permitted to deny benefits to individuals who test positive for drugs under these circumstances. Three states have enacted such laws, the implementation of which is subject to applicable federal law.

Mississippi permits drug testing on individuals as a condition of eligibility for benefits if the individual was discharged because of unlawful drug use or is seeking suitable work only in an occupation that requires drug testing. Individuals may be denied benefits based on the results of these drug tests, but may end the disqualification period early by submitting acceptable proof of a negative drug test result from an approved

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testing facility. Texas permits drug testing, as a condition of eligibility for benefits, on individuals for whom suitable work is available only in an occupation that regularly conducts pre-employment drug testing. Wisconsin enacted legislation requiring the establishment of rules for a drug testing program for controlled substances, including rules identifying occupations for which drug testing is regularly conducted in the state.

LABOR DISPUTES

Provisions related to labor disputes do not question whether the unemployment is incurred through fault on the part of the individual worker. The denial is always a postponement of benefits; there is no reduction or cancellation of benefit rights. In almost all states, the denial period is indefinite and based on the continuation of the dispute-induced work stoppage or to the progress of the dispute.

DEFINITION OF LABOR DISPUTE—State laws use different terms to describe labor disputes. In addition to labor dispute, these terms include trade dispute, strike, “strike and lockout,” or “strike or other bona fide labor dispute.” Except for Alabama, Arizona, Colorado, and Minnesota, state laws do not define these terms. Some states exclude the following from their denials:

- Employer lockouts;
- Disputes resulting from the employer’s failure to conform to the provisions of a labor contract;
- Disputes caused by the employer’s failure to conform to any state or federal law relating to wages, hours, working conditions, or collective bargaining; and
- Disputes where the employees are protesting substandard working conditions.

LOCATION OF THE DISPUTE—Generally, an individual is not denied benefits unless the labor dispute is in the establishment in which the individual was last employed. A few states deny individuals under certain circumstances at any other premises operated by the employer.

PERIOD AND TERMS OF DISQUALIFICATION—In most states, the denial period ends when the “stoppage of work because of a labor dispute” ends or the stoppage ceases to be caused by the labor dispute. In some states, the denial period lasts while the labor dispute is in “active progress.” In others, the denial period lasts while the individual’s unemployment is a result of a labor dispute.

TABLE 5-11: DISQUALIFICATION TERMS—LABOR DISPUTES			
State	During Stoppage of Work	While Dispute Is in Active Progress	Unemployment Caused by Existence of a Labor Dispute
AL		X	
AK	X		
AZ			X
CA		X	
CT			X
DE	X		
DC		X	
FL		X	
GA	X ¹		

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TABLE 5-11: DISQUALIFICATION TERMS—LABOR DISPUTES			
State	During Stoppage of Work	While Dispute Is in Active Progress	Unemployment Caused by Existence of a Labor Dispute
HI	X		
ID			X
IL	X		
IA	X		
KS	X		
KY		X	
LA		X	
ME	X		
MD	X		
MA	X ²		
MN		X	
MS	X		
MO	X		
MT			X
NE	X		
NV		X	
NH	X		
NJ	X ¹		
NM			X
ND			X
OH			X
OK	X		
OR		X	
PA	X		
PR	X		
RI			X
SC		X	
SD			X
TN		X	
TX	X ²		
UT	X		
VT	X		
VA		X	
VI		X	

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TABLE 5-11: DISQUALIFICATION TERMS—LABOR DISPUTES			
State	During Stoppage of Work	While Dispute Is in Active Progress	Unemployment Caused by Existence of a Labor Dispute
WA			X
WV	X ¹		
WI		X	
WY	X		
¹ Disqualification ceases: GA - when operations have been resumed but individual has not been reemployed; MA - within one week following termination of dispute if individual is not recalled to work; NJ - unless the employer hires a replacement and does not allow employee to return during 30-day waiting period; WV - if the stoppage of work continues longer than four weeks after the termination of the labor dispute, there is a rebuttable presumption that the stoppage is not due to the labor dispute and the burden is on the employer to show otherwise. ² IN and TX - as long as unemployment is caused by work stoppage that exists because of labor dispute; failure or refusal to cross picket line or to accept and perform available and customary work in the establishment constitutes participation and interest.			

A few states allow individuals to terminate the denial period by showing that the labor dispute (or the stoppage of work) is no longer the cause of their unemployment:

- In Indiana, the denial ends following termination of employment with the employer involved in the dispute.
- In Michigan, the denial ends if an individual works in at least two consecutive calendar weeks and earns wages in each week of at least the weekly benefit amount based on employment with the employer involved in the labor dispute.
- In Missouri, the denial ends following the bona fide employment of the individual for at least the major part of each of two weeks.
- In New Hampshire, the denial ends two weeks after the dispute has ended even if the stoppage of work continues.
- In Maine, Massachusetts, New Hampshire, and Utah, an individual may receive benefits if, during a stoppage of work resulting from a labor dispute, the individual obtains employment with another employer and earns a specified amount of wages. However, wages earned with the employer involved in the dispute cannot be used to determine eligibility while the stoppage of work continues.

In contrast, some states' laws extend the denial for the period of time necessary for the employer to resume normal operations (Arkansas, Colorado, North Carolina, and Tennessee). Others extend the denial period to shutdown and start-up operations (Michigan and Virginia).

In New York, an individual is denied for two consecutive weeks due to unemployment because of a strike, lockout, or concerted activity not authorized or sanctioned by the collective bargaining unit in the establishment where such individual was employed.

EXCLUSION OF INDIVIDUAL WORKERS—Most states provide that individual workers are not denied benefits under the labor dispute provisions if they, and others of the same grade or class, are not participating in the dispute, financing it, or directly interested in it. The following table provides information regarding denials related to labor disputes. Alabama and North Carolina do not have laws regarding labor disputes as they relate to unemployment insurance eligibility.

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TABLE 5-12: STATES WITH LABOR DISPUTES – EXCLUSIONS						
State	Disputes Excluded if Caused by:			Workers are Excluded from Disqualification if Those in the Same Grade or Class are not:		
	Employer's Failure to Conform to:		Lockout	Participating In Dispute	Financing Dispute	Directly Interested in Dispute
	Contract	Labor Law				
AK	X	X		X		X
AZ	X	X		X	X	X
AR			X	X		X
CA			X			
CO			X ¹	X	X	X
CT			X	X	X	X
DE			X			
DC			X	X		X
FL			X	X	X	X
GA			X	X	X	X
HI				X		X
ID				X	X ²	X
IL			X ¹	X	X	X
IN				X	X	X
IA				X	X	X
KS				X ³	X	X ³
KY			X			
LA			X	X ²		X ²
ME	X	X	X	X	X	X
MD			X	X	X	X
MA			X	X	X	X
MI			X ⁴			
MN	X	X	X	X ⁵		X ⁵
MS			X	X		X
MO				X	X	X
MT		X		X	X	X
NE				X	X	X
NV				X	X	X
NH	X	X		X	X	X
NJ	X		X ⁶	X	X	X
NM				X		X
NY			X ⁷			
ND				X		X
OH			X ¹	X ¹		

NONMONETARY ELIGIBILITY

TABLE 5-12: STATES WITH LABOR DISPUTES – EXCLUSIONS

	Disputes Excluded if Caused by:			Workers are Excluded from Disqualification if Those in the Same Grade or Class are not:		
	Employer's Failure to Conform to:		Lockout	Participating In Dispute	Financing Dispute	Directly Interested in Dispute
State	Contract	Labor Law				
OK			X	X		X
OR	X		X	X ¹	X	X
PA			X	X		X
PR				X		X
RI			X	X ²	X ²	X ²
SC				X	X ²	X
SD			X	X	X	X
TN			X	X ¹		
TX			X	X ³	X ³	X ³
UT		X ¹	X			X
VT			X ¹	X ²	X ²	X ²
VA				X	X	X
VI			X	X		X
WA				X	X	X
WV	X		X	X	X	X
WI			X			
WY				X	X	X

¹ Dispute is not disqualifying: **CO** - unless the lockout results from demands of employees, as distinguished from an employer effort to deprive the employees of some advantage they already possess; **OH** - if the individual was laid off and not recalled prior to the dispute, if separated prior to the dispute, or if obtained bona fide job with another employer while the dispute was in progress; **IL** - if the recognized or certified collective bargaining representative of the locked out employees refuses to meet under reasonable conditions with the employer to discuss the lockout issues, or there is a final adjudication under the NLRA that during the lockout period such representative has refused to bargain in good faith with the employer over the lockout issues, or if the lockout resulted as a direct consequence of a violation by such representative of the provisions of an existing collective bargaining agreement; **OR** - if the individual was laid off prior to the dispute and did not work more than seven days during the 21 calendar days immediately prior to the dispute, or if the individual's position was filled and the individual unilaterally abandons the dispute to seek reemployment with the employer; **TN** - if the individual was indefinitely separated prior to the dispute and otherwise eligible; **UT** - if the employer was involved in fomenting the strike; **VT** - if the employer brought about the lockout to gain concessions from the employees.

² Applies only to individual, not to other workers of the same grade or class.

³ As long as unemployment is caused by work stoppage that exists because of labor dispute; failure or refusal to cross picket line or to accept and perform available and customary work in the establishment constitutes participation and interest.

⁴ Only if unemployment is caused by lockout in another, functionally integrated U.S. establishment of the same employer.

⁵ Disqualification limited to one week for individuals neither participating in nor directly interested in dispute.

⁶ Individuals locked out of employment by their employer can collect benefits if they were not on strike immediately prior to the lockout and are directed by their union leadership to work under the preexisting terms and conditions of employment.

⁷ If not participating and not employed by an employer that is involved in the industrial controversy that caused their unemployment, or not in a bargaining unit involved in the industrial controversy that caused their unemployment.

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NONSEPARATIONS

Aside from separations, there are a number of additional eligibility questions that are evaluated for each claim. The remainder of the chapter discusses these situations, such as unique eligibility rules that apply only to special groups and deductible income. This section on nonseparations details the core eligibility requirements for individuals each week of a claim, including being able to work, available to work, actively seeking work, and not refusing suitable offers of work.

ABILITY TO WORK—Federal law requires that an individual is able to work for any given week. Only minor variations exist in state laws setting forth the requirements concerning ability to work. A few states specify that an individual must be physically able, or mentally and physically able to work.

Several states have added a provision that no individual who has filed a claim and has registered for work shall be considered ineligible during an uninterrupted period of unemployment because of illness or disability, provided no work, which is suitable but for the disability, is offered and refused. These provisions are not to be confused with the special programs in six states for temporary disability benefits, which is discussed in Chapter 8, *Temporary Disability Insurance*.

AVAILABILITY TO WORK—Federal law requires that an individual is available to work for any given week. Availability to work is often translated to mean being ready, willing, and able to accept work. Meeting the requirement of registration for work at a public employment office is considered as some evidence of availability. An individual may demonstrate that they are not available to work by placing substantial restrictions on the kind of conditions of otherwise suitable work that they can or will accept or by refusing either the state workforce agency's referral to suitable work or an employer's offer of suitable work.

State provisions regarding an individual's availability to work are more varied than those regarding an individual's ability to work. Some states provide that an individual must be available to work; some for suitable work; and others for work in the individual's usual occupation or for which the individual is reasonably fitted by training and experience.

Nine states—Alaska, Delaware, Hawaii, Idaho, Massachusetts, Nevada, North Dakota, Tennessee, and Vermont—have provisions which allow an individual to be considered available to work during a period of illness or disability occurring during the benefit year provided the individual has not refused suitable work. Alaska limits this provision to six consecutive weeks. Idaho limits this provision to not more than four weeks during a claim period and requires that no suitable work that pays more than one-half of the weekly benefit amount is available. Massachusetts allows for its use only three weeks during a benefit year. North Dakota applies this provision only if the illness cannot be covered by workers' compensation. In all cases, registration for work is still required.

Vacation—The following states specify conditions under which individuals on vacation may be deemed available to work:

- In Nebraska and New Jersey, no individual is deemed unavailable to work solely because the individual is on vacation without pay if the vacation is not the result of the individual's own action as distinguished from any collective bargaining or other action beyond the individual's control.
- Under New York law, an agreement by an individual or the individual's union or representative to a shutdown for vacation purposes is not in itself considered a withdrawal from the labor market or unavailability during the time of such vacation shutdown.

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The following states specify the conditions under which individuals on vacation are deemed unavailable or unemployed:

- In Georgia, a period of unavailability is limited to two weeks in any calendar year, when an individual is on an unpaid vacation period provided for in an employment contract or by an employer established custom.
- In Indiana, an individual is not considered unemployed if the individual is on a vacation week and is receiving, or has received, remuneration from the employer for that week. In addition, Indiana considers individuals to be employed if they are on a vacation week and have not received remuneration from the employer for that week because of a written contract between the employer and its workers, or because of the employer's regular vacation policy and practice (this provision applies only if the individual has reasonable assurance of employment available with the employer after the vacation period ends).
- In Mississippi an individual is considered unavailable to work during a holiday or vacation period.
- In North Carolina, no individual shall be considered available to work for any week, not to exceed two weeks in any calendar year, in which the unemployment is due to a vacation.

The following states include other provisions relating to eligibility during vacation periods, although not specifically stated in terms of availability:

- Tennessee does not deny benefits during unemployment caused by a plant shutdown for vacation, provided the individual does not receive vacation pay. However, individuals who receive regular wages for a vacation under terms of a labor-management agreement will have their weekly benefit amount reduced by the amount of the wages received, but only if work will be available for the individuals with the employer at the end of the vacation period.
- Individuals in Virginia are eligible for benefits only if they are not on a bona fide paid vacation.
- Washington provides that a cessation of operations by an employer for the purpose of granting vacations shall not be construed to be a voluntary quit or voluntary unemployment.

For information on how state provisions around deductible income apply to vacation pay, see Table 5-20, States with Holiday Pay, Back Pay, and Vacation Pay Provisions.

Locality—Alabama, Michigan, Ohio, and South Carolina require individuals be available to work in the locality where their base-period wages were earned, or in a locality where similar work is available or where suitable work is normally performed. Illinois and Utah consider individuals to be unavailable if, after separation from their most recent work, they move to and remain in a locality where opportunities for work are substantially less favorable than those in the locality they left. Oregon, Utah, and Virginia consider individuals unavailable to work if they leave their normal labor market area for the majority of a week unless the individuals can establish that they conducted a bona fide search for work in the labor market area where they spent the majority of the week. Idaho permits temporary departures from the local area under certain circumstances but requires individuals to be in locations covered by the Interstate Benefit Payment Plan in order to be eligible for UC.

Some states explicitly address an individual's availability status when the individual is in a foreign country. For example, in Wisconsin, an individual is not considered available to work in any week they are in a country other than the United States or Canada for more than 48 hours, unless the individual has authorization to work in that country and there is a reciprocal agreement with that country concerning the payment of unemployment benefits. In Utah, an individual located in a foreign country for three or more days of a week and who is otherwise eligible for benefits is only eligible to receive benefits for that week if the individual is

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legally authorized to work in the foreign country, and the state and the foreign country have entered into a reciprocal agreement concerning the payment of unemployment benefits. Washington permits an individual to be located outside the United States and its territories provided the person is either legally authorized to work in whichever country they are in, immediately available to work in the United States, or a military spouse authorized to work on base where their spouse is stationed.

Training—FUTA requires, as a condition for employers in a state to receive credit against the federal tax, that all state laws provide that compensation shall not be denied to an otherwise eligible individual for any week during which the individual is attending a training course with the approval of the state agency. In addition, state laws must provide that individuals in approved training not be held ineligible or disqualified for being unavailable to work, for failing to make an active search for work, or for failing to accept an offer of suitable work. All state laws must also provide that trade allowances not be denied to an otherwise eligible individual for any week during which the individual is in training approved under the Trade Act of 1974 because of leaving unsuitable employment to enter such training.

Federal law does not specify the criteria that states must use to approve training. Although some state laws have set forth the standards to be used, many do not specify approved training programs beyond those required by federal law. Generally, approved training is limited to vocational or basic education training, thereby excluding regularly enrolled students from collecting benefits under the approved training provision.

Some states, in addition to providing regular benefits while the individual attends an industrial retraining or other vocational training course, provide for an extended duration of benefits while the individual remains in training/retraining. See Chapter 4, *Extensions and Special Programs*.

In most states, participation in approved training is voluntary. However, in the District of Columbia and Washington an individual may be required to attend such training under certain circumstances.

Part-time Work—Many states require individuals to be available for full-time work. Other states allow individuals to be available for part-time work under certain conditions. The following table indicates those states paying benefits to workers who seek only part-time employment.

TABLE 5-13: STATES ALLOWING THOSE SEEKING ONLY PART-TIME WORK TO BE ELIGIBLE FOR UC				
State	If Otherwise Eligible	Claim Based on Part-Time Work, or History of Part-Time Work	Medical Restrictions or Restrictions Due to Disabilities	Other
AR	I	L		
CA		L		
CO		L, R		
CT			L, R	
DE		L ¹		Good Cause – I
DC				Good Cause – I
FL		I		
GA		L ¹		
HI		L		

NONMONETARY ELIGIBILITY

TABLE 5-13: STATES ALLOWING THOSE SEEKING ONLY PART-TIME WORK TO BE ELIGIBLE FOR UC

State	If Otherwise Eligible	Claim Based on Part-Time Work, or History of Part-Time Work	Medical Restrictions or Restrictions Due to Disabilities	Other
IL			R	Suitable if circumstances beyond individual's control – R
ID		L ¹		
IA		L, R		
KS		L ¹ , I		
LA		I		
ME		L, R	L, R ²	L, R ²
MD		L ¹		
MA		R	R	
MN		L		
MT		L	R	
NE		L ¹		
NV		R	I	I ³
NH		L	L	R ⁴
NJ		L, R		
NM	L, R ³			L, R ⁵
NY		L		
ND		I		
OH		I		
OK		L ¹		
OR			R	
PA	I ⁶			
PR		I		
SC		L ¹		
SD		L ¹		
UT			R	
VT		I		
VA			I	

NONMONETARY ELIGIBILITY

TABLE 5-13: STATES ALLOWING THOSE SEEKING ONLY PART-TIME WORK TO BE ELIGIBLE FOR UC

State	If Otherwise Eligible	Claim Based on Part-Time Work, or History of Part-Time Work	Medical Restrictions or Restrictions Due to Disabilities	Other
VI	L			
WA		L, R		
WY		R	R	

KEY: L = law, R = regulation, I = interpretation or policy

¹ **DE** - if individual is willing to work at least 20 hours per week, is available for the number of hours comparable to part-time work in base period, or is available for the hours comparable to the individual's work at the time of most recent separation; **GA**, **ID**, and **NM** - if individual is willing to work at least 20 hours per week; **KS** and **OK** - provided the individual is available for the

number of hours per week that are comparable to part-time work experience in base period; **MD** - provided that the individual worked at least 20 hours per week in part-time work for a majority of the weeks of work in the base period and is in a labor market in which a reasonable demand exists for part-time work; **NE** - provided that the majority of weeks of work in the base period included part-time work and that the individual is available for at least 20 hours of work per week; **SC** and **SD** - provided the majority of weeks of work in the base period include part-time work.

² When majority of weeks in base period were full-time but individual is only able, available and seeking part-time work due to own or immediate family member's illness or disability, or when necessary for safety or protection of individual or immediate family member, including protection from domestic abuse.

³ Student provision applies to high school students who can only work part-time while attending school.

⁴ In certain circumstances, if individual is the only adult suitable to care for a child.

⁵ Only for individuals who attend school full time and are actively seeking at least part-time work, and for whom school attendance was not a factor in separation from work.

⁶ The Superior Court has stated that the availability requirement is met as long as an individual is ready, willing, and able to accept some substantial and suitable work.

ACTIVELY SEEKING WORK—Federal law requires that an individual actively seek work each week UC is claimed. The following table contains information on work search requirements, by state. In some states, the required number of work search activities may vary under certain circumstances, for example, during an Extended Benefits (EB) period or depending on rural or urban area.

Because states may not deny benefits to an individual in approved training, all states provide an exemption from the requirement to conduct an active work search for any week the individual is in approved training. In addition, most states allow work search exemptions if the worker is union-attached and finds work through the union hiring hall, though some states place a time limit on this exemption. Most states allow a work search exemption if a separation is classified as a temporary lay-off and there is a reasonable expectation that the worker will return to work soon. Other work search exemptions include that the worker has a specified start date for new employment, has jury duty, or is participating in a Short Time Compensation (STC) program.

Please note that this table is intended to provide a general overview of work search requirements in the states; it is not meant to be exhaustive. Consult the appropriate state statute, regulation, or policy for more specific information on work search requirements.

TABLE 5-14: WORK SEARCH REQUIREMENTS

State	Basis	Minimum Number of Work Search Activities Required per Week	Part-Time Work Search Acceptable
AL	L & R	3	
AK	L, R, & I	1 – 2 ¹	X
AZ	L, R, & I	4 ²	
AR	L & R	2 ¹	X ³

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TABLE 5-14: WORK SEARCH REQUIREMENTS

State	Basis	Minimum Number of Work Search Activities Required per Week	Part-Time Work Search Acceptable
CA	L, R, & I	Unspecified	
CO ⁷	L, R, & I	Unspecified ⁴	X ³
CT	L, R, & I	3	
DE	L & R	1 new	X ²
DC	L & R	2	X
FL	L & R	3 - rural area, 5 - urban area ⁴	X ³
GA	L, R, & I	3 new	X ³
HI	L & R	3	X ³
ID	L & R	2 ⁴	X ³
IL	L, R, & I	Quality not quantity	X ³
IN	L & I	3	
IA	L, R, & I	2 ¹	X ³
KS	L, R, & I	3 ⁴	X ³
KY	L & I	5	
LA	L, R, & I	3 - new, 1 - union members	
ME	L & R	Unspecified	
MD	L, R, & I	3	X ³
MA	L & I	3 ⁵	X ²
MI	L & I	2	
MN	L, R, & I	Unspecified	X ³
MS	L & R	3	
MO	L & I	3 ⁶	
MT	L & R	1 new ²	
NE	R & I	5 ^{2,4}	X ³
NV	L & I	Unspecified	X ³
NH	L, R, & I	Unspecified – reasonable person	X ³
NJ	R	3 ⁴	X ³
NM ⁷	L & R	2	X ³
NY	L & R	3 ⁴	X ³
NC	L	3 ⁴	
ND	L	4	X ³
OH	L & I	2	X ³
OK	L, R, & I	2 ^{4,6}	X ³
OR	L, R, & I	5 ^{2,6}	X
PA	L & R	2 applications and 1 search activity	X ²
PR	L	Unspecified	X ³
RI	L, R, & I	3	

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TABLE 5-14: WORK SEARCH REQUIREMENTS

State	Basis	Minimum Number of Work Search Activities Required per Week	Part-Time Work Search Acceptable
SC	L & R	2 ^{2, 4}	X ³
SD	L, R, & I	2 ⁴	X ³
TN	L & R	3 ⁴	
TX	L, R, & I	3 ⁶	
UT	L, R, & I	4	
VT	L, R, & I	3	X
VA	L, R, & I	2 ¹	X
VI	R	3	
WA	L & R	3 ⁴	X ³
WV	L, R, & I	Unspecified ¹	
WI	L & R	4 ⁶	
WY	L & R	2	X ³

KEY: L = law, R = regulation, I = interpretation or policy

¹ Dependent on geography, labor market, union hall membership, or other factor.

² Limitations or specific requirements apply.

³ Part-time work history required.

⁴ May use employment services registration, access reemployment services, jobseeking workshop, or participate in job search activities. **NE** requires at least one contact through the state system; **SC** requires 2. **NC** allows a verified reemployment activity through a local career center to count as one of its weekly required work search contacts.

⁵ Domestic violence accommodations.

⁶ Agency may increase or direct.

⁷ During declared emergency Agency may waive or broaden work search criteria.

Acceptable work search activities vary by state and may include, among others, making direct contacts with an employer, creating a resume, using online career tools, using reemployment services in American Job Centers or completing similar online or self-service activities, participating in work-related networking events, and any other work search activities prescribed by the state. In some states, union members are required to register with their appropriate local union hall.

All states monitor compliance with work search requirements through the Benefit Accuracy Measurement (BAM) program and during an individual's participation with Reemployment Services and Eligibility Assessment (RESEA). A number of states also perform various other work search verifications. The following table provides details of how states monitor compliance with work search requirements in addition to BAM and RESEA.

TABLE 5-15: WORK SEARCH REPORTING AND MONITORING

State	Basis	Claimant Reporting of Work Search Activities		Reviews done in addition to BAM & RESEA
		Frequency	Method of Reporting	
AL	L & R	Weekly	Eligibility review	Random eligibility review
AK	L, R, & I	Weekly	Paper, phone, or internet	
AZ	L, R, & I	Weekly	Paper or internet	Each weekly claim

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TABLE 5-15: WORK SEARCH REPORTING AND MONITORING				
State	Basis	Claimant Reporting of Work Search Activities		Reviews done in addition to BAM & RESEA
		Frequency	Method of Reporting	
AR	L & R	Weekly	Phone or paper	Random audit
CA	L, R, & I	Upon request	Interview	Eligibility review
CO	L & R	Bi-weekly	Part of continued claim process	Random or targeted audit
CT	L, R, & I	Weekly	Part of audit	Random or targeted audit
DE	L & R	Weekly	Part of weekly claim	Random audit
DC	L & R	With continued claim	Part of continued claim	
FL	L & R	Bi-weekly	Part of continued claim	Random weekly audit
GA	L, R, & I	Weekly	Online or fax	Unspecified
HI	L & R	Weekly	Telephone survey questions	
ID	L & R	Weekly	Online with continued claim	Random or targeted audit
IL	L, R, & I	Upon request	In writing	Random or targeted audit
IN	L & I	Weekly	With weekly claim	Incomplete work search triggers eligibility review
IA	L, R, & I	Weekly	Upon request	
KS	L, R, & I	Weekly	Upon request	
KY	L & I	Weekly	Upon request	Random weekly audit
LA	L, R, & I	Eligibility review every 6 weeks	Upon request	Eligibility review every 6 weeks
ME	L & R	Mandatory contact log upon request	Mandatory contact log upon request	Random audit
MD	L, R, & I	Weekly	Upon request	Random telephone interview
MA	L & I	Weekly	Upon request	Random audit
MI	L & I	At least bi-weekly	Online, mail, in-person	
MN	L, R, & I	Upon request	Online	Random audit/worker profiling
MS	L & R	Weekly	Online	Random audit
MO	L & I	Weekly	Online, phone, or mail	Weekly and random eligibility review
MT	L & R	Weekly	Weekly claim	Random audit
NE	R & I	Weekly	Online	Random audit
NV	L & I	Weekly	Contact log	Random audit
NH	L, R, & I	Weekly	Part of weekly claim	Eligibility review

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TABLE 5-15: WORK SEARCH REPORTING AND MONITORING				
State	Basis	Claimant Reporting of Work Search Activities		Reviews done in addition to BAM & RESEA
		Frequency	Method of Reporting	
NJ	R	Bi-weekly	Telephone, online, or by mail.	Random audit
NM	L & R	Weekly	Upon request	Random audit
NY	L & R	Weekly	Upon request	Random audit
NC	L	Weekly	Upon request	Unspecified
ND	L	Weekly (online) monthly (by other means)	Online or in event of eligibility review every 4 weeks	Random audit
OH	L & I	Weekly	With continued claim	Random audit
OK	L, R, & I	Weekly	Upon request by mail, fax, or online	Random audit
OR	L, R, & I	Weekly	With continued claim	
PA	L & R	Weekly	Upon request	Random audit
PR	L	Weekly	Upon request	Unspecified
RI	L, R, & I	Weekly	Upon request	Random audit
SC	L	Weekly	Upon request	Eligibility review
SD	L, R, & I	Weekly	With continued claim	Random weekly audit
TN	L & R	Weekly	Upon request	Random weekly audit
TX	L, R, & I	Weekly	Upon request	Random audit
UT	L, R, & I	Weekly	With weekly continued claim	Random audit
VT	L, R, & I	Weekly	With weekly continued claim, online	Random audit
VA	L & R	Weekly	With weekly continued claim	Random audit
VI	R	Weekly	Upon request	Random audit
WA	L & R	Weekly	Upon request	Random audit and upon request
WV	L, R, & I	Weekly	Upon request	Random audit
WI	L & R	Weekly	Upon request	Random audit
WY	L & R	Weekly	Upon request	State reviews a randomly chosen 2-week log of the first 4 weeks claimed
KEY: L = law, R = regulation, I = interpretation or policy				

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REFUSAL OF WORK—All state laws address refusal of suitable work, though states vary concerning the extent of the disqualification imposed. Under federal law, an individual is not required to accept work that is less favorable in terms of wages, hours, or other conditions than those prevailing for similar work in the locality. Specifically, benefits will not be denied to an otherwise eligible individual for refusing to accept new work under the following circumstances:

- the position offered is vacant due directly to a strike, lockout, or other labor dispute;
- the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality; or
- as a condition of being employed the individual would be required to join a company union, or to resign from or refrain from joining any bona fide labor organization.

Criteria for Suitable Work—Most state laws include criteria for evaluating the suitability of work in addition to the requirements of federal law. Such provisions generally include the degree of risk to an individual's health, safety, and morals; the individual's physical fitness, prior training, experience, and earnings; the length of unemployment and prospects for securing local work in a customary occupation; and the distance of the available work from the individual's residence.

While Delaware and New York make no reference to the suitability of work offered, they provide for disqualification for refusals of work for which an individual is reasonably fitted. South Carolina specifies that the decision of whether work is suitable must be based on a standard of reasonableness as it relates to the particular individual involved.

Connecticut does not deem work suitable if, as a condition of being employed, the individual would be required to agree not to leave the position if recalled by their previous employer. In Wisconsin, an individual has good cause during the first six weeks of unemployment for refusing work at a lower grade or skill or significantly lower rate of pay than one or more recent jobs.

Earnings—In some states the earnings for a new job are compared to other factors when determining whether an individual had good cause to refuse an offer of suitable work. For example, in Louisiana, an individual may refuse work if the remuneration from the employer is below 60 percent of the individual's highest rate of pay in the base period. New Hampshire requires that for work to be deemed suitable, the hourly rate when multiplied by 40 must be equal to or greater than 150 percent of the individual's weekly benefit amount.

Distance—In Alabama and West Virginia, no work is unsuitable because of distance if it is in substantially the same locality as the last regular employment which the individual left voluntarily without good cause connected with the employment. In Indiana, work under substantially the same terms and conditions under which the individual was employed by a base-period employer, which is within the individual's prior training, experience, and physical capacity to perform, is suitable work unless a bona fide change in residence makes such work unsuitable because of the distance involved. Delaware, New York, and Ohio provide that no refusal to accept employment shall be disqualifying if it is at an unreasonable distance from the individual's residence or the expense of travel to and from work is substantially greater than that in the former employment, unless provision is made for such expense.

Personal/Family Reasons—Maine does not impose a disqualification for refusal of suitable work if an individual refuses a position on a shift, the greater part of which falls between midnight and 5 a.m., and the individual is prevented from accepting the job because of family obligations. Maine also excludes from suitable work a job the individual previously vacated if the reasons for leaving have not been removed or changed; in addition, if an individual has refused work for a compelling reason, the disqualification will be terminated when the individual is again able and available for work. New Hampshire does not disqualify an individual who is unable to accept or unavailable for suitable, permanent full-time work in a given shift if the individual is the

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only available adult to care for an ill, infirm, or physically or mentally disabled family member. In addition, New Hampshire does not impose a disqualification for refusing to accept new work if the individual is unable to accept work during the hours of a particular shift because of the family obligations previously described.

Union/Collective Bargaining Issues—Ohio and New York do not consider suitable any work that an individual is not required to accept pursuant to a labor-management agreement. Illinois does not disqualify an individual for refusing new work if the position offered is a transfer to other work offered to the individual by the employing unit under the terms of a collective bargaining agreement or pursuant to an established employer plan, program, or policy, when the acceptance of such other work by the individual would require the separation from that work of another individual currently performing it. Iowa does not disqualify an individual for failure to apply for or accept suitable work if the individual left work in lieu of exercising a right to bump or oust an employee with less seniority. In Oregon, an individual will not be disqualified for refusal of suitable work if the employer unilaterally modified the amount of wages agreed upon by the individual's collective bargaining unit and the employer. In Pennsylvania, an individual will not be disqualified for refusal of suitable work when the work is offered by the individual's employer, and the individual is not required to accept the offer pursuant to terms of a union contract, agreement, or an established employer plan, program, or policy.

Drug Testing Issues—In a few states, an individual is considered to have refused an offer of suitable work if an employer withdraws an offer of work after the individual tests positive for drugs after a drug test given on behalf of the prospective employer as a condition of an offer of employment, or if the individual refuses, without good cause, to submit to a drug test required by the prospective employer as a condition of an offer of employment. For additional information, see Table 5-7.

Duration of Unemployment—Several states amend the definition of suitable work as the individual's unemployment duration grows:

- Florida law specifies that, after an individual has received 25 weeks of benefits in a single year, suitable work will be a job that pays the minimum wage and is 120 percent or more of the individual's weekly benefit amount.
- Georgia specifies that, after an individual has received 10 weeks of benefits, no work will be considered unsuitable if it pays wages equal to at least 66 percent of the individual's highest quarter earnings in the base period and is at least equal to the federal or state minimum wage.
- Idaho requires individuals to be willing to expand their job search beyond their normal trade or occupation and to accept work at a lower rate of pay to remain eligible for benefits as the length of their unemployment grows.
- Iowa law specifies that work is suitable if it meets the other criteria in the law and the gross weekly wage of the offered work bears the following relationship to the individual's high-quarter average weekly wage: 1) 100 percent during the first week of unemployment; 2) 90 percent from the 2nd through the 3rd week of unemployment; 3) 80 percent from the 4th through the 5th week of unemployment; 4) 70 percent from the 6th through the 8th week of unemployment; and 5) 60 percent after the 8th week of unemployment. No individual, however, is required to accept a job paying below the federal minimum wage.
- Maine no longer considers the individual's prior wage in determining whether work is suitable after 10 weeks of unemployment.
- Michigan provides that an individual will be denied benefits for refusing an offer of suitable work paying at least 70 percent of the gross pay rate received immediately before becoming unemployed, but, after an individual has received 50 percent of their benefit entitlement for the year, work will not be considered unsuitable because it is outside the individual's training or experience, or because of pay rate

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as long as the pay rate meets or exceeds the minimum wage, is at least the prevailing mean wage for similar work in the locality, and the pay rate is 120 percent or more of the individual's weekly benefit amount.

- Mississippi law specifies that work is suitable after eight weeks of unemployment if the offered employment pays the minimum wage or higher and the wage is that prevailing for the individual's customary occupation or similar work in the locality.
- Montana, after 13 weeks of unemployment, specifies that a suitable work offer need only include wages equal to 75 percent of the individual's earnings in previous customary insured work, but not less than the federal minimum wage.
- New York provides an individual not subject to recall or who does not obtain employment through a union hall and is still unemployed after receiving 10 weeks of benefits is required to accept employment that the individual is capable of doing, provided the employment would result in a quarterly wage not less than 80 percent of the high quarter in the base period or the wages prevailing for similar work in the locality, whichever is less.
- North Carolina considers any employment offer paying 120 percent of the individual's weekly benefit amount to be suitable work after 10 weeks of unemployment.
- North Dakota law specifies that after an individual has received 18 weeks of benefits, suitable work will be any work that pays wages equal to the maximum weekly benefit amount, providing that consideration is given to the degree of risk involved to the individual's health, safety, morals, and physical fitness, and the distance of the work from their residence.
- Tennessee uses a similar percentage reduction system to Iowa for suitable wage but the numbers of weeks required for each period of unemployment are different.
- Utah considers all earnings in the base year, not just earnings from the most recent employer, in the determination of suitable work and specifies that the agency will be more prone to consider work suitable the longer the individual is unemployed and less likely to secure local work in the individual's customary occupation.
- Wyoming applies the refusal-of-suitable work disqualification if, after four weeks of unemployment, the individual fails to apply for and accept suitable work other than in the individual's customary occupation offering at least 50 percent of the compensation earned in previous occupation.

Period and Terms of Disqualification—In most states, the disqualification lasts until the individual is again employed and earns a specified amount of wages. Some states impose a disqualification for a specified number of weeks for any individual who refuses suitable work. Of the states that reduce potential benefits for refusal of suitable work, the majority provide for reduction by an amount equal to the number of weeks of benefits postponed.

TABLE 5-16: DISQUALIFICATION TERMS—REFUSAL OF SUITABLE WORK

State	Benefits Postponed for:		Amount of Benefits Reduced
	Number of Weeks	Minimum Weeks and/or Wages to Requalify	
AL	WR + 1 – 5		
AK	WR + 5		3 x WBA
AZ		8 x WBA	
AR		At least 30 days of covered work	

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TABLE 5-16: DISQUALIFICATION TERMS—REFUSAL OF SUITABLE WORK			
State	Benefits Postponed for:		Amount of Benefits Reduced
	Number of Weeks	Minimum Weeks and/or Wages to Requalify	
CA	WR + 1 – 9 ¹		
CO	WR + 20		Equal
CT		6 x WBA	
DE		4 weeks of work and 4 x WBA	
DC		10 weeks of work and wages equal to 10 x WBA	
FL	WR + 1 – 5 ²	17 x WBA ²	Optional
GA		10 x WBA ³	
HI		5 x WBA	
ID		14 x WBA	
IL		Wages equal to WBA in each of 4 weeks	
IN		Wages in each of 8 weeks and wages $\geq$ 8 x WBA	1 st refusal - 75%; 2 nd - 85%; 3 rd - 90%
IA		10 x WBA	
KS		3 x WBA	
KY		10 weeks of covered work plus 10 x WBA	
LA		10 x WBA	
ME		10 x WBA	
MD	WR + 5 – 10 ²	10 x WBA	
MA	WR + 7		Up to 8 weeks
MI	WR + 13		Equal in current BY ²
MN	WR + 7		
MS	WR + 1 – 12		
MO		10 x WBA	
MT		6 x WBA	Equal
NE	12		Equal
NV		Wages equal to WBA in each week up to 15	
NH		5 weeks of covered work with earnings equal to 20% more than WBA in each week	
NJ	WR + 3		
NM		5 x WBA	Equal
NY		10 x WBA	
NC	X ⁵	10 x WBA earned in at least 5 weeks	X ⁴
ND		10 x WBA	
OH		6 weeks in covered work + wages equal to 27.5% of state AWW	
OK		10 x WBA ⁵	
OR		4 x WBA	8 x WBA
PA		X ⁶	

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TABLE 5-16: DISQUALIFICATION TERMS—REFUSAL OF SUITABLE WORK

State	Benefits Postponed for:		Amount of Benefits Reduced
	Number of Weeks	Minimum Weeks and/or Wages to Requalify	
PR		4 weeks of work and wages equal to 10 x WBA	
RI		8 x WBA	
SC		8 x WBA	
SD		6 weeks of covered work and wages equal to WBA in each week	
TN		10 x WBA in covered work	
TX		6 weeks of work or wages equal to 6 x WBA (applies to any refusal within BY)	
UT		6 x WBA	
VT		6 x WBA	
VA		30 days or 240 hours of work	
VI		4 weeks of work and 4 x WBA	
WA		7 weeks and earnings in bona fide work of 7 x WBA	
WV	WR + 4 ⁷		Equal
WI		6 x WBA	
WY		8 x WBA	

KEY: WR = Week of refusal “Equal” indicates reduction equal to WBA multiplied by number of weeks of disqualification.

¹ **CA** - must be weeks in which individual meets reporting and registration requirements. Also, agency may add 1-8 weeks for successive disqualification.

² **FL** - both number of weeks and minimum wages to requalify are imposed. Aliens who refuse resettlement or relocation employment are disqualified 1-17 weeks, or reduction by not more than five weeks. **MI** - individual may be eligible for benefits in subsequent benefit year based on base period wages earned subsequent to refusal. **MD** - either disqualification may be imposed at discretion of agency.

³ Individual must work for a liable employer and become unemployed through no fault of their own.

⁴ Disqualification may run into next benefit year which begins within 12 months after end of current year. Also, a permanent disqualification may be reduced to a time certain disqualification, but not less than five weeks, with a corresponding reduction in benefits (weeks of disqualification x WBA).

⁵ An individual who refuses an offer of work due to illness, death of a family member, or other circumstances beyond the individual's control will be disqualified for the week of occurrence.

⁶ Until an individual obtains work not of a casual or temporary nature; however, if work refused was casual or temporary, then disqualification lasts for the period of time that the offered work would have been available.

⁷ Plus such additional weeks as offer remains open.

SPECIAL GROUPS

FUTA requires the denial of benefits under certain circumstances to professional athletes, certain school personnel, and some aliens. FUTA also prohibits states from denying benefits solely on the basis of pregnancy or the termination of pregnancy. All state laws contain provisions addressing these special groups of workers.

STUDENTS—Most states exclude from coverage service performed by students for educational institutions, for more information see Table 1-6. In addition, many states have special provisions limiting the benefit rights of students who have had covered employment. In some of these states, the disqualification is for the duration of the unemployment; in other states, it is during school attendance or during the school term. Some states extend the disqualification to vacation periods.

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TABLE 5-17: STATES' TREATMENT OF STUDENTS

State	Disqualified for Leaving Work to Attend School	Disqualified or Ineligible While Attending School	State	Disqualified for Leaving Work to Attend School	Disqualified or Ineligible While Attending School
AL	Yes	Yes, if school hours overlap normal work hours	AK	Yes, if leaving skilled work or not attending approved training	Yes, unless student pursued an academic education for a school term and worked 30 hours a week, and the academic schedule did not preclude full-time work in the student's occupation, and if the student was laid off ¹
AZ	Yes, unless leaving to resume approved training or if work hinders the student from making satisfactory progress in approved training	Yes, unless there is a pattern of concurrent, full-time work and full-time school attendance for the nine-month period before the filing of an initial claim for UI benefits, and the student has not left or refused full-time work, or reduced the hours of work to part-time to attend school	AR	Yes	Yes, except while attending a vocational school for a demand occupation and other training as long as the student is making reasonable efforts to obtain employment and doesn't refuse suitable work
CA	Yes, except if attending union apprenticeship school or approved for training benefits	Yes, unless student has a part-time seek-work plan or is available for full-time work in labor market during school ¹	CO	Yes ¹	No, provided school attendance does not interfere with ability to accept suitable work ¹
CT	Yes ¹	Yes, except student who becomes unemployed while attending school if work search is restricted to employment that does not conflict with regular class hours and if student was employed on a full-time basis during the 2 years prior to separation while in school ¹	DE	Yes	No, if student determined to be primarily a worker who happens to attend school
DC	Yes	No, provided school is not an undue restriction on availability	FL	Yes	No, provided school attendance does not interfere with availability to accept suitable work
GA	Yes, unless Trade Act training	No, provided school attendance does not interfere with availability to work, and the student is actively seeking work	HI	Yes	Yes, must be available for work and willing to quit school, except for approved training.
ID	Yes	Yes, unless attending approved training ¹	IL	Yes, unless Trade Act training	Yes, when principal occupation is student unless attends approved training ¹
IN	Yes, unless Trade Act training	No, provided school attendance does not interfere with availability to accept work, and the student is actively seeking work	IA	Yes	No, if school attendance does not interfere with ability to accept suitable work
KS	Yes, unless Trade Act training	Yes, including vacation periods, unless full-time work is concurrent with school attendance, or school schedule does not affect availability for work ¹	KY	Yes	No, provided school attendance does not interfere with ability to accept suitable work
LA	No	Yes, including vacation periods, unless student loses job while in school and is available for suitable work ¹	ME	Yes	Yes, unless student is available for full-time work while in school, or would leave school for full-time work, or is in approved training

NONMONETARY ELIGIBILITY

TABLE 5-17: STATES' TREATMENT OF STUDENTS

State	Disqualified for Leaving Work to Attend School	Disqualified or Ineligible While Attending School	State	Disqualified for Leaving Work to Attend School	Disqualified or Ineligible While Attending School
MD	Yes ¹		MA	Yes	No, provided industrial or vocational training is found to be necessary to obtain suitable work; must be full-time and less than one year in length ¹
MI	Yes ¹	Yes, unless student agrees to quit school/change class schedule to accept work, or is in approved training	MN	Yes, unless entering approved training	No, unemployed individual not necessarily unavailable for or unable to work while attending school and not ineligible solely on basis of attending school
MS	Yes	No, provided school hours do not interfere with availability for full-time work	MO	Yes	Yes, if there is a significant restriction on availability; some part-time students may be eligible; does not apply to Trade Act
MT	No	No, provided that student can demonstrate that general eligibility requirements are met	NE	Yes	Yes, unless major part of BPW were for services performed while attending school ¹
NV	Yes, unless approved training or high school student who must legally attend school	No, if school attendance does not interfere with ability to seek and accept suitable work	NH	Yes	No, provided student is available for and seeking permanent full-time work during all the shifts and all the hours there is a market for the student's services
NJ	Yes, except for approved training	Yes, including vacation periods, unless student earned wages sufficient to qualify for benefits while attending school ¹	NM	Yes	Yes, unless the student is able, available, and seeking at least part-time work, or in approved training ¹ or approved apprenticeship program
NY	No	No, provided school attendance does not interfere with availability to accept work, and the student is actively seeking work	NC	No	No, unemployed individual not necessarily unavailable for or unable to work while attending school and not ineligible solely on basis of attending school
ND	No	Yes, unless major part of BPW were for services performed while attending school ¹	OH	Yes, unless Trade Act training	No, if becomes unemployed while attending school, BPW were at least partially earned while attending school, meets availability and work search requirements, and if available for suitable employment on any shift ¹
OK	No	No, provided student offers to quit school, adjust class hours, or change shifts to secure employment ¹	OR	Yes, unless required by law to attend school ¹	No, provided school attendance does not interfere with availability to seek and accept suitable work
PA	Yes, unless Trade Act training and job paid less than 80% of Trade Act job and was at lesser skill level	No, provided able and available for suitable work (does not have to be full-time work)	PR		
RI	Yes, unless Trade Act training	Yes, unless hours of school do not interfere with hours of work in student's occupation	SC	Yes	No, if student offers to quit school, adjust class hours or change shifts to secure employment; must make a work search each week
SD	Yes	Yes, if determined principally occupied as a student	TN	No	No, unless school attendance interferes with availability for suitable work

NONMONETARY ELIGIBILITY

TABLE 5-17: STATES' TREATMENT OF STUDENTS					
State	Disqualified for Leaving Work to Attend School	Disqualified or Ineligible While Attending School	State	Disqualified for Leaving Work to Attend School	Disqualified or Ineligible While Attending School
TX	Yes ¹	Yes, but eligible if willing to quit school or change class schedule to accommodate full-time work ¹	UT	Yes ¹	No, when school attendance is a restriction to availability for full-time suitable work, unless in an approved training program ¹
VT	Yes	Yes, if claim is based on part-time employment and student remains available for part-time work while attending school	VA	Yes ²	Yes, unless attendance would limit availability for only one of multiple shifts in usual occupation
VI	No	No	WA	Yes, unless approved apprentice training or Trade Act training	Yes, if registered at a school that provides instruction of 12 or more hours per week, unless in approved training or demonstrates evidence of availability for work ¹
WV	Yes, unless previously enrolled in approved training ¹	No, provided student is in approved vocational training or if student is willing to drop or rearrange classes if suitable work were offered	WI	Yes, unless Trade Act training	Yes, unless student is available for full-time first shift work
WY	Yes, unless previously enrolled in approved training	Yes, unless major part of BPW were for services performed while attending school			
NOTE: Unless otherwise indicated, state is applying its voluntary quit or availability provisions					
¹ State statutes or regulations specifically mention students.					
² Based upon case law; includes rebuttable presumption that graduate students working only between semesters quit to return to school.					

EDUCATION EMPLOYEES BETWEEN AND WITHIN TERMS—FUTA requires states to deny benefits based on services in educational employment to instructional, research, or principal administrative employees of educational institutions between successive academic years or terms if the individual performed such instructional, research, or administrative services in the first year or term and has a contract or reasonable assurance of performing such services in the second year or term.

FUTA also requires states to deny benefits based on services in educational employment to instructional, research, or principal administrative employees of educational institutions who perform services in regular but non-successive years or terms (for example, only the first semester of each academic year). These individuals are not eligible for compensation based on such services during the entire period between the regular but non-successive academic years or terms. This denial also applies to periods within terms, such as vacation or holiday periods.

FUTA permits a state, at its option, to deny benefits based on services in educational employment between successive academic years or terms to other employees of a school or of an educational service agency who perform services for or on behalf of an educational institution if the individual performed services (other than in an instructional, research, or administrative capacity) during the year or term and has a reasonable assurance or a contract to perform services in the second year or term. The option for denial of benefits also applies to vacation or holiday periods within school years or terms. However, FUTA requires states to pay benefits retroactively to school personnel performing these other services if they were given reasonable assurances of reemployment but were not, in fact, rehired when the new school term or year began.

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PROFESSIONAL ATHLETES—FUTA requires states to deny benefits based on services as a professional athlete to an individual between two successive sport seasons if substantially all of the individual's services in the first season consist of participating in or preparing to participate in sports or athletic events and the individual has a reasonable assurance of performing similar services in the second season. States have the option to include ancillary personnel involved with the team or event such as managers, coaches, and trainers employed by professional teams, and referees and umpires employed by professional leagues or associations in the definition of "athlete."

ALIENS—Federal law requires that benefits not be paid based on service performed by an alien unless the individual: 1) was lawfully admitted for permanent residence at the time the services were performed and for which the wages paid are used as wage credits; 2) was lawfully present in the United States to perform the services for which the wages paid are used as wage credits; or 3) was permanently residing in the United States "under color of law," including one lawfully present in the United States under provisions of the Immigration and Nationality Act. (Note that aliens must also be legally authorized to work to be considered available for work.) As such, federal law requires that states obtain information about an individual's authorization to work from all applicants for compensation.

DEDUCTIBLE INCOME

All state laws provide that an individual will not receive UC for any week during which the individual is also receiving or is seeking benefits under any federal or other state UC law. A few states specifically mention benefits under the Federal Railroad Unemployment Insurance Act. The intent is to prevent duplicate payment of benefits for the same week. These disqualifications apply only to the week in which or for which the other payment is received.

Federal law requires that all states deduct money received from a pension or other similar payment which is based on the previous work of the individual and maintained by a base period employer or chargeable employer. Additionally, an individual must be considered "unemployed" or "partially unemployed" in order to collect benefits. Most states include provisions that an individual is ineligible for any week during which the individual receives or has received certain other types of remuneration, such as wages in lieu of notice, dismissal wages, worker's compensation, holiday and vacation pay, back pay, and benefits under a supplemental unemployment benefit plan. In many states, if the payment is less than the weekly benefit amount, the individual receives the difference; in other states, no benefits are payable for a week of such payments regardless of the amount of payment. A few states provide for rounding the resultant benefits, like payments for weeks of partial unemployment, to half dollar or full dollar amounts. Note: This section includes only non-earned wages that are deductible as income. Earnings during the benefit year and their impact on the weekly benefit amount, i.e. benefits for partial unemployment, are covered in Chapter 3, *Monetary Entitlement*.

WAGES IN LIEU OF NOTICE AND DISMISSAL PAYMENTS—Many states consider wages in lieu of notice and dismissal payments to be deductible income, and these laws use a variety of terms such as dismissal allowance, dismissal payments, dismissal wages, separation allowances, termination allowances, severance payments, or some combination of these terms. In many states, all dismissal payments are included as wages for contribution purposes, as they are under FUTA. Other states exclude dismissal payments that the employer is not legally required to make. Individuals receiving such payments may be considered not unemployed, or not totally unemployed, for the weeks concerned. Some states consider these payments to be made with respect to an individual's prior service, rather than for the period following their separation from work. As such, these states would not treat dismissal payments as deductible income.

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TABLE 5-18: STATES WITH WAGES IN LIEU OF NOTICE AND DISMISSAL PAYMENT PROVISIONS								
State	Wages in Lieu of Notice	Dismissal Payments	State	Wages in Lieu of Notice	Dismissal Payments	State	Wages in Lieu of Notice	Dismissal Payments
AK	P	P	AZ	A (not considered unemployed)	A (not considered unemployed)	AR	A	A
CA	P		CO	P	A: Benefits postponed for number of weeks equal to total amount of additional remuneration divided by usual weekly wage	CT	A	A: Not applicable to severance or accrued leave pay based on service for the Armed Forces
DE		P	DC		P	FL	P	A ¹
GA	A	A	IL	P		IN	P: Excludes greater of first \$3 or 1/5 WBA from other than base-period employer	R: Excludes greater of first \$3 or 1/5 WBA from other than base-period employer
IA	P	P	KS		P	KY	P	
LA	P	P: But not less than 1 week for each week a base-period employer provided severance pay equaling or exceeding WBA	ME	P	P	MD	P	P
MA	A		MI	P	P	MN	P	P
MO	P		NE	A	A	NV	A	A
NH	P	P	NJ	A		NM	P	P
NY		P ²	NC	A	A	OH	P	P: Not applicable to severance or accrued leave pay based on service for the Armed Forces
PA		P ³	RI		A ⁴	SD	P	P
TN	A	A ⁵	TX	A	A	UT	P	P

NONMONETARY ELIGIBILITY

TABLE 5-18: STATES WITH WAGES IN LIEU OF NOTICE AND DISMISSAL PAYMENT PROVISIONS								
State	Wages in Lieu of Notice	Dismissal Payments	State	Wages in Lieu of Notice	Dismissal Payments	State	Wages in Lieu of Notice	Dismissal Payments
VT	A	A	VA	P	P: Only when allocated by the employer to specific pay periods	WA	P	P ⁶
WV	A		WI		P: Only when allocated by close of week, payable at full applicable wage rate, and individual had notice of allocation ⁷	WY	A	A

KEY: A = all benefits denied for the week of receipt P = weekly benefit reduced by weekly prorated amount of the payment

¹ Number of weeks of disqualification equals amount of severance pay divided by individual's AWW received from employer that paid severance pay, rounded down to nearest whole number, beginning with week of separation.

² Does not apply during any weeks in which the initial payment of dismissal pay is made more than 30 days from the last day of the individual's employment.

³ WBA reduced by amount of severance pay attributed to the week. Amount of severance pay attributed shall be an amount not less than zero determined by subtracting, from total amount of severance pay, 40% of AAW as calculated as of June 30 immediately preceding calendar year in which benefit year begins.

⁴ Severance pay shall be allocated on a weekly basis from last day worked for a period not to exceed 26 weeks. If employer does not specify set number of weeks, severance pay shall be allocated using individual's WBA.

⁵ Benefits denied if severance package from employer is equal to the salary individual would have received if individual was working.

⁶ Previously accrued compensation except severance pay, when assigned to a period of time by collective bargaining or trade practices; negotiated settlements or proceeds given for early termination of an employment contract.

⁷ Individual is ineligible for benefits for any week in which the individual receives 32 hours or more of termination pay totaling over \$500, by itself or in combination with wages.

WORKERS' COMPENSATION PAYMENTS—Nearly half of the states list workers' compensation payments under any state or federal law as disqualifying income. Some states disqualify for the week concerned; other states consider workers' compensation to be deductible income and reduce unemployment benefits payable by the amount of the workers' compensation payments. A few states reduce the unemployment benefit only if the workers' compensation payment is for temporary partial disability.

TABLE 5-19: STATES WITH WORKERS' COMPENSATION PROVISIONS									
AL	P	CA	P	CO	P	CT	A	DE	P
FL	P	GA	A	ID	P	IL	P	IA	P
KS	A	LA	P	MA	A	MN	P	MO	P
MT	A	NE	P	NV	A	NH	P	NY	P
OH	P	RI	P	SD	P	TN	A	TX	A
UT	A	VT	A	VA	P	WA	A	WV	A
WI	P								

KEY: A = all benefits denied for the week of receipt P = weekly benefit reduced by weekly prorated amount of the payment

NONMONETARY ELIGIBILITY

HOLIDAY PAY, BACK PAY, AND VACATION PAY—In most states, vacation pay is considered wages for employer tax purposes. Thus, an individual receiving vacation pay equal to their weekly benefit amount would, by definition, not be unemployed and would not be eligible for benefits. Some of the explanations point out that vacation pay is considered wages because the employment relationship is not discontinued, and others emphasize that an individual on vacation is not available for work. Vacation payments made at the time of severance of the employment relationship, rather than during a regular vacation shutdown, are considered disqualifying income in some states only if such payments are required under contract and are allocated to specified weeks; in other states, such payments, made voluntarily or in accordance with a contract, are not considered disqualifying income.

TABLE 5-20: STATES WITH HOLIDAY PAY, BACK PAY, AND VACATION PAY PROVISIONS

State	Holiday	Back Pay	Vacation	State	Holiday	Back Pay	Vacation
AL		A		AK	P	P: Employer withholds amount of benefits paid and remits to UI agency	P
AR	P: WBA minus holiday pay in excess of 40% of WBA		P: WBA minus vacation pay in excess of 40% of WBA	CA	P	P	
CO	Treated as wages in the week in which the holiday occurred	P: Employer withholds amount of benefits paid and remits to UI agency	A	DE		P	
DC		Employer withholds amount of benefits paid and remits to UI agency		GA		Employer withholds amount of benefits paid and remits to UI agency	A
HI	P	P	P: If continued attachment to employer	ID	P	P	A
IL	P	P: When individual is reinstated after suspension/discharge and receives full compensation for period if charges reversed	P	IN	P: Excludes greater of first \$3 or 1/5 WBA from other than BP employer	P: Excludes greater of first \$3 or 1/5 WBA from other than BP employer; employer withholds amount of benefits paid and remits to UI agency	P: Excludes greater of first \$3 or 1/5 WBA from other than BP employer
IA			P: If employer designates a specific vacation period, benefits are reduced for that period of time; if not, reduction is limited to 1 week	KS	P	A	P

NONMONETARY ELIGIBILITY

TABLE 5-20: STATES WITH HOLIDAY PAY, BACK PAY, AND VACATION PAY PROVISIONS

State	Holiday	Back Pay	Vacation	State	Holiday	Back Pay	Vacation
KY		P: Benefits will be reduced 100% for overpayments caused by back pay award		LA			P
ME	P	P ¹	P ²	MD	P: Not applicable to pay attributable to any period outside the terms of an employment agreement, which specifies scheduled vacation or holiday periods		P: Not applicable to pay attributable to any period outside the terms of an employment agreement, which specifies scheduled vacation or holiday periods
MA	A			MI	P	P	P
MN	P: 55% deducted as long as amount is less than WBA	P	P: Only applies if temporary or seasonal layoff, not if permanent separation	MS		A: Employer withholds amount of benefits paid and remits to UI agency	
MO	Reportable during week of holiday	P: Employer withholds amount of benefits paid and remits to UI agency	P	NE			A ⁴
NV	Treated as wages the week in which it is paid	A: Employer withholds amount of benefits paid and remits to UI agency	A	NY	A	P	A
NM		P		NC		A: Employer withholds amount of benefits paid and remits to UI agency	
ND	Reportable during week of holiday	Not reportable	Reportable when received unless individual takes vacation prior to layoff	OH			P
OR	May be deductible depending on circumstances	Considered earnings when calculating weekly benefit amount	May be deductible depending on circumstances	PA	P	P	P: Only deductible if individual has a return to work date
PR			P	RI			P
SD	P			TN		P	
UT	P	P	P	VT		P	P

NONMONETARY ELIGIBILITY

TABLE 5-20: STATES WITH HOLIDAY PAY, BACK PAY, AND VACATION PAY PROVISIONS

State	Holiday	Back Pay	Vacation	State	Holiday	Back Pay	Vacation
VA	Reportable during week of holiday	P	P	WA	P: If assigned to the week claimed rather than accrued	Employer withholds amount of benefits paid and remits to UI agency	P: If assigned to the week claimed rather than accrued
WV	A	A	A: Except if individual is totally unemployed and if pay is accumulated prior to unemployment	WI	P: Only when allocated by close of such week, payable at full wage rate, and individual has notice ²		P: Only when allocated by close of such week, payable at full wage rate, and individual has notice ³
WY	A: Allocated to week the holiday occurs	P	A				

KEY: A = benefits denied for the week of receipt P = weekly benefit reduced by weekly prorated amount of the payment

¹ If a payment, which is awarded or authorized by the National Labor Relations Board, a court, or any other administrative agency of government for any settlement of a dispute, is for, or equivalent to, wages for a specific period of time, then that payment will be considered wages with respect to the week or weeks covered by the award, providing the individual receives the back payment.

² Individual is ineligible for benefits for any week in which the individual receives 32 hours or more of sick pay, holiday pay, or vacation pay totaling over \$500, by itself or in combination with wages.

³ Individual is ineligible for benefits for any week in which the individual receives vacation pay in an amount exceeding the equivalent of four weeks' wages. However, if total amount of vacation pay is less than WBA, WBA will be reduced by the amount of vacation pay received.

⁴ Nebraska provides that an individual is considered employed when wages are received for a specific time in which the vacation is actually taken during a time of temporary layoff or plant shutdown; vacation pay is prorated in an amount reasonably attributable to each week claimed and considered payable with respect to that week.

RETIREMENT PAYMENTS—FUTA requires all states to deduct money received from a pension or other similar payment which is based on the previous work of the individual and which is maintained by a base period employer or chargeable employer. The requirement applies only to those payments made on a periodic (as opposed to lump-sum) basis. FUTA prohibits reductions for pensions, retirement or retired pay, annuity, or other similar payment not includible in the gross income of the individual because it was part of a rollover distribution.

Although FUTA provides a baseline requirement, states may implement additional retirement pay provisions. States are permitted to reduce benefits on less than a dollar-for-dollar basis by taking into account the contributions made by the individual to the plan in question. Some states only deduct retirement payments when the account was one to which the employer contributed 100% of the funds, but most states deduct pension and retirement payments proportionally based on the rate of contributions made by each the claimant and the employer. A few states also exempt pension and retirement deductions in cases of emergency beyond the individual's control. Lump sum payouts following a layoff are also exempted by some states.

TABLE 5-21: EFFECT OF RETIREMENT PAYMENTS

State	Considers Employee Contributions	Excludes Retirement Payments Not Affected By BP Work	State	Considers Employee Contributions	Excludes Retirement Payments Not Affected By BP Work
AL	X	X	AK	X	X
AZ	X	X	AR	X	
CA	X	X	CO		

NONMONETARY ELIGIBILITY

TABLE 5-21: EFFECT OF RETIREMENT PAYMENTS					
State	Considers Employee Contributions	Excludes Retirement Payments Not Affected By BP Work	State	Considers Employee Contributions	Excludes Retirement Payments Not Affected By BP Work
CT	X	X	DE	X	
DC	X	X	FL	X	X
GA	X	X	HI	X	X
ID	X	X	IL	X	
IN		X	IA	X	X
KS	X	X	KY	X	X
LA			ME	X	X
MD	X		MA	X	X
MI	X	X	MN		
MS			MO		X
MT	X	X	NE	X	
NV	X	X	NH	X	X
NJ	X	X	NM	X	
NY	X	X	NC		
ND	X	X	OH		
OK		X	OR	X	
PA	X	X	PR	X	X
RI	X	X	SC	X	
SD	X		TN	X	X
TX	X		UT		X
VT	X		VA		
VI			WA	X	X
WV		X	WI	X	X
WY	X				

SOCIAL SECURITY PAYMENTS—Social Security payments are not considered deductible income; this differs from other types of retirement payments.

Note that Social Security Disability Insurance (SSDI) is sometimes treated differently than other Social Security payments. In some states, individuals that receive SSDI are held ineligible or have those payments treated as deductible income.

SUPPLEMENTAL UNEMPLOYMENT BENEFIT PAYMENTS (SUB PAY)—A supplemental unemployment payment plan is a system whereby, under a contract, unemployed individuals receive payments from an employer-financed trust fund. The purpose is to provide the individual, while unemployed, with a combined UC and supplemental unemployment benefit payment amounting to a specified proportion of the individual's weekly earnings while employed.

NONMONETARY ELIGIBILITY

There are two major types of such plans: 1) those under which the individual has no vested interest and is eligible for payments only if the individual is laid off by the company; and 2) those under which the individual has a vested interest and may collect if the individual is out of work for other reasons, such as illness or permanent separation.

Supplementation of the first type, without impacting UC, is permitted by all states except New Mexico, Puerto Rico, South Carolina, and South Dakota. In 48 states, the authority to do so is based on an interpretive ruling by the state attorney general (27 states), by the employment security agency (10 states), or by Court decision (one state). 10 states permit supplementation of the first type by state statutes.

Some supplemental unemployment benefit plans of the first type provide for alternative payments or substitute private payments in a state in which a ruling not permitting supplementation is issued. These payments may be made in amounts equal to three or four times the regular weekly private benefit after two or three weekly payments of state UC benefits without supplementation; in lump sums when the layoff ends or the state benefits are exhausted (whichever is earlier); or through alternative payment arrangements to be worked out, depending on the particular supplemental unemployment benefit plan.

RELATIONSHIP WITH OTHER STATUTORY PROVISIONS—Some states have no provision for any type of disqualifying income except the federally-required deduction for pensions, whereas others have only two or three types. This does not necessarily allow benefits to all individuals in receipt of the types of payments concerned. An individual must still be able to work and available for work, as well as meeting the state's definition of being unemployed or partially unemployed. Many individuals receiving workers' compensation, other than those receiving weekly allowances for dismemberment, are not able to work in terms of the UC law.

However, receipt of workers' compensation for injuries in employment does not automatically disqualify an unemployed individual for unemployment benefits. Many states consider that evidence of injury with loss of employment is relevant only as it serves notice that a condition of ineligibility may exist and that an individual may not be able to work and may not be available for work. Similarly, individuals receiving SSDI payments may not be able to work.

CHAPTER 6

OVERPAYMENTS

IN GENERAL

This chapter deals with state law provisions for identifying, establishing, and collecting Unemployment Insurance (UI) benefit overpayments. An overpayment occurs when individuals receive benefits to which they are not entitled. State laws generally treat overpayments in which the individual is not at fault or is not committing fraud differently to those overpayments in which the individual has committed fraud, engaged in willful misrepresentation, or concealed material facts. In addition, state laws contain provisions for fines and imprisonment for willfully or intentionally misrepresenting or concealing facts material to a determination concerning the individual's entitlement to benefits.

NONFRAUD AND NONFAULT PROVISIONS

WAIVERS OF RECOVERY—Many states provide that if the overpayment is without fault or fraud on the individual's part, under certain circumstances, the individual may not be liable to repay the amount overpaid. The following table lists the states and some of the reasons those states may waive recovery of the overpayment.

TABLE 6-1: STATES WAIVING RECOVERY OF NONFRAUD OR NONFAULT OVERPAYMENTS AND REASONS					
State	Agency Error	Employer Error	Equity or Good Conscience	Financial Hardship	Other
AL		X	X		
AK			X		
AZ			X		
AR	X		X		
CA				X	
CO			X	X	
CT	X				
DC				X	
FL		X			
GA			X	X	
HI			X		
ID	X	X			
IL			X	X	
IN	X	X			
IA		X			
KS	X			X	
LA			X		
ME			X		
MD	X			X	

OVERPAYMENTS

TABLE 6-1: STATES WAIVING RECOVERY OF NONFRAUD OR NONFAULT OVERPAYMENTS AND REASONS

State	Agency Error	Employer Error	Equity or Good Conscience	Financial Hardship	Other
MA			X		
MI	X		X		
MN					X
MT	X	X		X	
NV			X		
NH					X
NJ	X	X	X	X	
NC					X
ND			X		
OH	X	X			
OR			X		X
PA					X
RI			X		
SC			X		
SD			X	X	
TN		X	X		
UT				X	
VT					X
VI			X		
VA			X		
WA			X		
WI	X		X		
WY			X	X	

GENERAL NOTE: The following states do not have overpayment waiver of recovery provisions: **DE, KY, MS, MO, NE, NM, NY, OK, PR, TX, and WV.**

RECOVERY PROVISIONS—All state laws provide for recovery of benefit overpayments. In addition to direct repayment, states utilize several tools to recoup these funds. Under one method, benefit offset, states may recover nonfraud and fraud overpayments by deducting from future benefits payable. In specific circumstances, benefit offset is mandatory. States must also recover certain types of overpayments from an individual’s federal income tax refund through the Treasury Offset Program, including overpayments due to fraud and overpayments due to misreported work and earnings. Similarly, states may also offset overpayments with monies due to the individual from state tax refunds or lottery winnings, or the state can compel repayment by pursuing civil action in state court. Some state laws may also include provisions for denying or suspending professional licenses of persons owing an overpayment of UI benefits. Some states also assess interest on outstanding overpayment balances. The following table provides information about how states recover nonfraud overpayments.

OVERPAYMENTS

TABLE 6-2: RECOVERY OF NONFRAUD OVERPAYMENTS

State	Benefit Offset		Offset with State Tax Refunds	Civil Action Permitted	Interest Assessed
	Offset Against Future Benefits	Number of Years Limited			
AL	100%	No	Yes	Yes	No
AK	100%	No	Yes	No	No
AZ	50% - 100%	No	Yes ¹	No	10% per year from month after overpayment established
AR	100%	4 years from date of final determination	Yes	Yes	10% annually once final overpayment has force and effect of judgment of Circuit Court
CA	25%	6 years from date overpayment notice mailed	Yes	No ²	No
CO	25%	No	Yes	Yes	No
CT	50%; if WBA <\$100, then 25%	No; may write off as uncollectible after 8 years	Yes	Yes	No
DE	50%	5 years from end of BY	Yes	Yes	No
DC	100%	No	Yes ¹	Yes	No
FL	100%	Commenced within 7 years from date overpayment is established	No	Yes	No, unless and until a civil judgment is entered
GA	50%	7 years from release date of the notice of determination and overpayment	Yes	Yes	No
HI	100%	2 years from date of mailing notice of redetermination or final appeal decision; after, may offset % agreed to by individual	No	Yes	No
ID	100%	No	Yes	Yes	Yes
IL	25%	5 years from date overpayment decision issued	Yes	Yes	No
IN	100%; if agency error, then 50%	No	Yes	Yes	No
IA	100%	10 years from date of last activity	Yes	No	No
KS	100%	No	Yes	Yes	1.5% per month if 2 years old
KY	25%	5 years from last day of BY	Yes	Yes	No
LA	100%	No	Yes	Yes	No
ME	10% of 1 st \$100 WBA; 50% of rest	No	Yes	No	1% per month starting 1 year after decision is set up in system
MD	100%	No	Yes	Yes	No
MA	100%; 50% if nonfault and individual requests	No	Yes	Yes ²	No

OVERPAYMENTS

TABLE 6-2: RECOVERY OF NONFRAUD OVERPAYMENTS					
State	Benefit Offset		Offset with State Tax Refunds	Civil Action Permitted	Interest Assessed
	Offset Against Future Benefits	Number of Years Limited			
MI	Up to 20%	3 years from date of payment	Yes	Yes	Yes, starting 1 year after determination is final
MN	50%	6 years from date overpayment is determined	Yes ¹	Yes	No
MS	100%	5 years from last day of week overpaid	Yes	Yes	1% per month on principal balance after 1 st full month overpayment established
MO	100%	No; may write off as uncollectible after 5 years of no activity	Yes	Yes	No
MT	50%; higher if individual permits	5 years; must file lien against individual's real and personal property to extend to 10 years	Yes	No	Yes
NE	Any amount per week and any amount up to MBA	3 years from end of BYE in which overpaid weeks were paid	Yes	Yes	No
NV	50%	5 years from date overpayment established	No	No	No
NH	1% - 10%	10 years from date overpayment decision is final	No	Yes	1% per month on principal balance from 1 st day of month after decision if not paid within 60 days
NJ	100% or 50%	No	Yes ¹	Yes	2% annually 6 months after debt established if no formal payment agreement
NM	100%; 50% or 75% if request approved	No	Yes	Yes	No
NY	50%	No	Yes	No	No
NC	50%	No	Yes	Yes ²	No
ND	Minimum 50%	No	Yes ¹	Yes	18% starting 180 days after establishment of overpayment or 180 days from date of final appeal determination
OH	100%	3 years from date decision is final	Yes	No	No
OK	100%	No; except for administrative error, 1 year from expiration of BY current at time overpayment established	Yes; administrative error	Yes; administrative error	1% per month starting date overpayment determined
OR	100%	5 years from week decision became final for nonfault or nonfraud overpayments; no time limit for fault overpayments	Yes (if fault overpayment) ¹	Yes	If fault, 1% per month from 1 st day of month following 60 days after final decision

OVERPAYMENTS

TABLE 6-2: RECOVERY OF NONFRAUD OVERPAYMENTS

State	Benefit Offset		Offset with State Tax Refunds	Civil Action Permitted	Interest Assessed
	Offset Against Future Benefits	Number of Years Limited			
PA	33⅓% (nonfault); 100% (fault)	4 (nonfault), 7 (fault) years from date of application for benefits	No	Yes	Computed annually based on the IRS rate
PR	50%	5 years from date overpayment established	No	No	No
RI	100%	No	Yes	Yes	No
SC	100%	No	Yes	No	No
SD	100%	No	No	Yes	12% per year upon establishment of fault overpayment or 6 months after establishment of nonfault overpayment
TN	100%	After the expiration of 6 years from overpayment determination	No	Yes	No
TX	100%	No limit for overpayment absorptions on subsequent BYs	No	Yes	1% per month from 30 days after served (when becomes judgment)
UT	50% (nonfault) or 100% (fault)	If nonfault, 3 years from date decision is final; if fault, 8 years from effective date of judgment lien	Yes (fault only)	Yes (fault only)	No, unless it goes to judgment
VT	100%	5 years from determination date	Yes ¹	Yes	No
VA	100%; 50% if administrative error ³	No	Yes	Yes	No
VI	Depends on amount and ability of individual to repay	2 years from date overpayment was established	Yes ¹	Yes	No
WA	50% (up to 100% depending on claimant request)	No	No	Yes	1% per month (simple interest) after ≥ 2 minimum monthly payments are delinquent
WV	100%	5 years from last day of week overpaid	Yes	No	No
WI	100%	No	Yes ¹	Yes	No
WY	100%	First 5 years from effective date of claim resulting in overpayment	Yes	Yes	No

¹ AZ, DC, MN, NJ, ND, OR, VT, VI, and WI - provision found in non-UI law (all other states' provision found in UI law).

² CA - summary judgment proceedings may be initiated if the claim was based solely on income received as an elected official; MA and NC - do not pursue civil action based on policy.

³ If overpayment due to administrative error an individual is allowed to repay solely by voluntary repayment agreement, and the agency will not resort to any other methods of collection unless the individual breaches the agreement.

OVERPAYMENTS

FRAUD PROVISIONS

RECOVERY PROVISIONS, FINES, AND CRIMINAL PENALTIES—For fraud, including willful misrepresentation and concealment of facts, states utilize the same methods to recover overpayments as they do for nonfraud overpayments. Most states allow criminal prosecution, which can lead to fines and prison sentences. Federal law requires a mandatory penalty assessment for fraudulent claims of not less than 15 percent of the amount of the erroneous payment against claimants committing fraud in connection with state and/or federal UC programs. States may impose civil penalties in excess of 15 percent, but collection of the first 15 percent must be immediately deposited into the state’s account in the unemployment trust fund.

Although UI benefit fraud typically involves an individual’s attempt to obtain or increase benefits, it also includes employers who attempt to prevent or reduce benefits to eligible individuals, and employers who help an individual attempting to fraudulently claim benefits. The following table reflects state law provisions on how states treat benefit fraud. Refer to Chapter 5, *Nonmonetary Eligibility*, for additional information on disqualification periods for fraud and misrepresentation.

TABLE 6-3: TREATMENT OF FRAUD								
State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed By	
	Benefits		State Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	Claimant	Employer
	Reduction in WBA	Number of Years Limited						
AL	100%	6 years from date overpayment is final	Yes	2% per month	4 x WBA to maximum benefit amount; 15% of overpayment	\$50 – \$500	1 to 20 years under Classes B & C felony charges ¹	1 year
AK	100%	No	Yes	No	50% of each fraud overpayment	X ¹	5 years	X ¹
AZ	100%	No	Yes ²	10% per year	15% of overpayment	\$2,500	Depends on individual’s record	6 months
AR	100%	No	Yes	10% per year	50% of overpayment (15% if repaid within 30 days)	\$20 – \$200	60 days	60 days
CA	100%	6 years from mailing	Yes	7% until summary judgment filed; 10% until paid in full	30% of overpayment	\$20,000	1 year minimum	1 year minimum
CO	100%	No	Yes	No	\$25 - \$1,000 fine; 65% of overpayment penalty	\$25 – \$1,000 ³	6 months	6 months
CT	100%	8 years	Yes	1% per month	50% 1 st offense; 100% subsequent offense	X ¹	1 year minimum	1 year minimum
DE	100%	5 years from end of benefit year	Yes	18% per year	\$23 - \$57.50 fine; 15% of overpayment	\$20 – \$200	60 days	60 days
DC	100%	No	Yes ²	No	Up to \$100 fine; 15% of overpayment	\$1,000	60 days	6 months
FL	100%	Commenced within 7 years from date established	No	No, unless and until a civil judgment is entered	15% of overpayment	\$5,000	5 years	5 years

OVERPAYMENTS

TABLE 6-3: TREATMENT OF FRAUD

State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed By	
	Benefits		State Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	Claimant	Employer
	Reduction in WBA	Number of Years Limited						
GA	100%	7 years from release date of notice of determination and overpayment	Yes	1% per month	15% of overpayment	Up to \$1,000 for basic fraud; at least \$1,000 for multiple counts	12 months per count	X ¹
HI	100%	2 years from mailing or final appeal decision; after, if individual agrees (percentage up to individual)	No	No	Up to \$10,000 fine; 15% of overpayment	Up to \$10,000	5 years	1 year
ID	100%	8 years from final determination date	Yes ²	Yes	25% 1 st instance; 50% 2 nd instance; 100% 3 rd instance and subsequent	\$20 – \$200 and 10 x WBA	X ¹	X ¹
IL	100%	No	Yes ²	No, unless suit filed and judgment entered; then 9% per year	15% of overpayment	Up to \$500	180 days	180 days
IN	100%	No	Yes	0.5% per month	25% 1 st instance; 50% 2 nd instance; 100% 3 rd instance and subsequent; 15% of overpayment penalty	X ⁴	6 – 36 months or 2 – 8 years	6 – 36 months or 2 – 8 years
IA ⁶			Yes	No	15% of overpayment	50% of tax owed	10 years	
KS	100%	No	Yes	1.5% per month	25% of overpayment	\$20 – \$200	60 days	60 days
KY	100%	10 years from end of applicable BY	Yes	1.5% per month	Up to \$10,000 fine; 15% of overpayment	\$500 – \$10,000	1 – 5 years	1 – 5 years
LA	100%	No	Yes	No	Penalty is greater of \$20 or 25% of overpayment balance	\$50 – \$1,000	10 years	30 – 90 days
ME	100%	No	Yes	1% per month	50% 1 st incident, 75% 2 nd incident, 100% other incidents	X ¹	X ¹	X ¹
MD	100%	No	Yes	1.5% per month	Up to \$1,000 fine; 15% of overpayment	Up to \$1,000	90 days	90 days
MA	100%	No	Yes	1% per month until total interest = 50% of overpayment	\$1,000 – \$10,000 fine; 15% of overpayment	\$2,500 – \$10,000	6 months to 5 years	1 year

OVERPAYMENTS

TABLE 6-3: TREATMENT OF FRAUD

State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed By	
	Benefits		State Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	Claimant	Employer
	Reduction in WBA	Number of Years Limited						
MI	100%	3 years from overpayment	Yes	Yes	100% 1 st instance; 150% 2 nd instance overpayment amount ⁵	100% 1 st instance; 150% 2 nd instance	1 year	1 year
MN ⁷			Yes ²	1% per month	40% of overpayment	X ¹	20 years	20 years
MS	100%	5 years from last week overpaid	Yes	1% per month	\$100 – \$500 fine; 20% of overpayment	\$100 – \$1,000	30 days for each fraudulent week	6 months
MO	100%	No; may write off as uncollectible after 5 years of no activity	Yes	No	25% – 100% of overpayment	25% – 100% of fraudulent amount	6 months for each violation	6 months for each violation
MT	100%	5 years; 10 years if lien filed	Yes	Yes	50% of overpayment	\$50 – \$500	Depends on recommendation of district attorney or employer	30 days for each false statement
NE	100%	3 years from end of applicable BY	Yes	No	Up to \$500 fine; 15% of overpayment	Up to \$500	90 days for each count	90 days
NV	100%	10 years from date overpayment established	No	Civil judgments only (6% per year)	15% of overpayment ⁸	\$2,000	10 years	10 years
NH	1% – 10%	10 years from date overpayment decision is final	No	1% per month	Up to \$4,000 fine; 20% of overpayment	Up to \$100,000	15 years	15 years
NJ	100%	No	Yes ²	5% for CY 2009	25% of total overpayment	\$100 to \$1,000 per offense	Decided by court	90 days
NM	100%	No	Yes	No	Up to \$100; 25% of overpayment	Up to \$10,000	30 days	30 days
NY	100%	No	Yes ²	9% per year (civil action only)	Up to \$500; the greater of \$100 or 15% of overpayment	\$500	1 year	1 year
NC	100%	No	Yes	No	Up to \$200 fine; 15% of overpayment ¹	Up to \$200	2 years	2 years
ND	100%	No	Yes ²	18% per year	\$1,500 fine; 15% of overpayment	\$1,000	10 years	30 days
OH	100%	6 years from date overpayment is final	Yes	14% per year	Up to \$1,000; 25% of overpayment	Up to \$1,000	6 months	6 months
OK	100%	No	Yes	1% per month	Up to \$500 fine each week after conviction; 25% of overpayment	\$50 – \$500	6 months	90 days
OR	100%	No	Yes ²	1% per month	15 – 30% of overpayment	\$100 – \$500	X ¹	90 days

OVERPAYMENTS

TABLE 6-3: TREATMENT OF FRAUD

State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed By	
	Benefits		State Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	Claimant	Employer
	Reduction in WBA	Number of Years Limited						
PA	100%	10 years from date applied for benefits	No	Computed annually based on IRS rate	\$500 - \$1,500 fine; 15% of overpayment	\$100 – \$1,500 per offense	30 days per week illegally claimed	30 days per offense
PR	100%	5 years from date established	No	No	15% of overpayment ¹	\$1,000	X ¹	1 year
RI	100%	No	Yes	1.5% per month	Greater of \$1,000 or double value of fraud; 15% of overpayment	Greater of \$1,000 or double value of fraud	1 year	1 year
SC	100%	No	Yes	No	\$50 - \$250 fine; 25% of overpayment	\$20 – \$100	30 days for each offense or week claimed	30 days
SD	100%	No	No	12% per year	Up to \$2,000 fine (higher fine if amount obtained > \$200); 50% 1 st instance; 100% any subsequent instance overpayment amount	\$1,000	1 or 2 years	1 or 2 years
TN	100%	No	No	1.5% per month	30% 1 st instance; 50% any subsequent instance overpayment amount	X ¹	1 year minimum	1 year minimum
TX	100%	No	No	1% per month	Up to \$4,000 fine; 15% of overpayment	\$4,000	Depends on whether prosecuted as misdemeanor or felony	X ¹
UT	100%	No	Yes ²	No, unless it goes to judgment	Up to \$10,000 fine; 100% of overpayment	Up to \$20,000	15 years	15 years
VT	100%	5 years from determination date	Yes ²	No	Up to \$5,000 fine ⁹ ; 15% of overpayment	Up to \$50	30 days	30 days
VA	100%	No	Yes ²	No	Up to \$2,500 fine; 15% of overpayment	Up to \$1,000	1 year	1 year
VI	Depends on amount and ability of individual to repay	2 years from date overpayment is final	No	No	\$50 – \$200 fine	\$50 – \$200	60 days	60 days
WA	100%	No	No	1% per month	\$20 – \$250 fine; 15% 1 st instance; 25% 2 nd instance; 50% any subsequent instance overpayment amount	\$20 – \$250	90 days	90 days
WV	100%	10 years from last week overpaid	No	Yes	\$100 – \$1,000 fine; 20% of overpayment	\$20 – \$200	30 days	30 days

OVERPAYMENTS

TABLE 6-3: TREATMENT OF FRAUD

State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed By	
	Benefits		State Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	Claimant	Employer
	Reduction in WBA	Number of Years Limited						
WI	100%	No	Yes ²	No	Up to \$25,000 fine; 40% – 100% of overpayment depending on facts of fraud	Up to \$25,000	Up to 10 years	Up to 10 years
WY	100%	No	Yes	No	20% of overpayment and additional 5% of unpaid balance every 6 months thereafter until paid	\$750	5 years	5 years

GENERAL NOTES: All states allow civil action to recover fraud overpayments except **AK, MA, NE, NC, PR, and SC**. All states may impose monetary assessments and prison time on employers who fraudulently act to prevent or reduce an individual's benefits. In addition, some states may impose assessments/prison time for abetting an individual's fraudulent receipt of benefits. Where these penalties are variable depending on certain circumstances, the higher is shown.

¹ **AL, AK, CT, GA, ID, ME, MN, NC, OR, PR, TX, and WV** - penalty assessed under misdemeanor or felony statutes. Also, for **AL** - in lieu of fines, if found guilty required to pay restitution in at least the amount of benefits fraudulently obtained.

² **AZ, DC, ID, IL, MN, NJ, NY, ND, OR, UT, VT, VA, and WI** - provision found in non-UI law.

³ Individual receives 1.5 x benefits due for weeks delayed, thus increasing employer's experience rate.

⁴ The employer is assigned the rate for the year in which the violation occurred and the following 3 years. If employer is already paying the highest rate at the time of the violation, or the increase in the contribution rate described in this table is less than 2%, the employer will pay an additional 2% of the employer's taxable wages for the year in which the violation occurred and the following 3 years.

⁵ Overpayment made through identity theft 4 x overpayment amount.

⁶ **IA**-Recovery of benefits fraudulently obtained requires a lien be filed against the individual's property and rights to property, whether real or personal.

⁷ **MN**-Benefit offset not possible since individuals committing fraud are ineligible for benefits until they fully repay the amount owed.

⁸ May impose additional penalties: 5% if overpayment >\$25 to \$1,000; 10% if overpayment >\$1,000 to \$2,500; 35% if overpayment >\$2,500;

⁹ If not prosecuted, 1 week of penalty is assessed for every week of fraud; however, if fraud is committed within the past 3 calendar years, and fraud is committed again, 2 weeks of penalty is assessed for each week of fraud. Limited to no more than 26 penalty weeks in any BY.

WRITE-OFF OF OVERPAYMENTS

After exhausting its options to recover overpayments, most states will permit the UI agency to write off certain types of overpayments; meaning the agency will cancel the debt as being uncollectible. Writing off an overpayment is not the same as a state waiving recovery of an overpayment. Waiving recovery of an overpayment typically involves the state determining the claimant was not at fault in causing the overpayment and recoupment would be against equity and good conscience. The criteria for writing off overpayments vary. Usually, it depends on how long the overpayment has been outstanding (*i.e.*, age of the overpayment). However, most states have established additional criteria. The following table provides information on states' write-off provisions.

TABLE 6-4: STATE OVERPAYMENT WRITE-OFF CRITERIA

State	Nonfraud		Fraud	
	Age Requirement	Other Criteria	Age Requirement	Other Criteria
AL ¹	6 years from final decision	Bankruptcy or death	6 years from final decision	Death
AK ²	2 years from last payment	Death	2 years from last payment	Death
AZ ¹	5 years from final decision			Bankruptcy or death

OVERPAYMENTS

TABLE 6-4: STATE OVERPAYMENT WRITE-OFF CRITERIA

State	Nonfraud		Fraud	
	Age Requirement	Other Criteria	Age Requirement	Other Criteria
AR		Death		Death
CA ^{1, 2}	6 years and 1 month from overpayment mail date; if judgment, 10 years and 1 month from judgment	Immediately if overpayment ≤\$9.99 and no payment activity for 6 months	6 years and 1 month from overpayment mail date; if judgment, 10 years and 1 month from judgment	Immediately if overpayment ≤\$9.99 and no payment activity for 6 months
CO ^{1, 2}	5 years from determination that debt is uncollectible	Administratively impracticable to collect	7 years from determination that debt is uncollectible	Administratively impracticable to collect
DE ²	3 years	Overpayment debt is wholly or partly uncollectible	3 years	Overpayment debt is wholly or partly uncollectible
DC ¹	3 years after BY ending date	No claim with current BY and balance, and no repayment within 180 days	3 years after BY ending date	No claim with current BY and balance, no repayment within 180 days, case referred for prosecution
FL ¹	2 years from establishment	Bankruptcy or death	5 years from establishment	Bankruptcy or death
GA ¹	3 years older than 1 st day of current quarter		4 years older than 1 st day of current quarter and last transaction is 1 quarter old	
ID ²	5 years from final decision	Bankruptcy or death	8 years from final decision	Death
IL ^{2, 3}		If uncollectible		Legally uncollectible
IN ²	3 years from BY of claim; civil judgment extends by 10 years (can extend again)		6 years from BY of claim; civil judgment extends by 10 years (can extend again)	
IA ^{2, 3}	10 years from last activity		10 years from last activity	
KS ¹	5 years from last transaction		10 years from last transaction	
KY ²	5 years from last day of BY		10 years from last day of BY	Not if individual has been prosecuted for offense
LA ²	5 years from BY of overpaid claim and from last acknowledgement of debt or penalty assessment	Bankruptcy	10 years from determination date and from last acknowledgement of debt or penalty assessment	Bankruptcy
ME ¹	6 years from establishment	<\$25	6 years from establishment	<\$25
MD ¹	5 years from establishment		5 years	
MA ^{1, 2}	5 years from last claim for benefits	No further contact with individual	5 years from last claim for benefits	No further contact with individual; after review and approval of Commissioner
MI ¹	3 years from determination date unless civil action filed, individual made false statement, or determination requires restitution; 10 years if judgment		6 years from determination date unless civil action filed, individual made false statement, or determination requires restitution; 10 years if judgment	
MN ²	6 years from date determined	Bankruptcy or death	10 years from date determined	
MS ²	5 years from last day of week overpaid		5 years from last day of week overpaid	
MO ²	5 years from establishment with no activity	Must be uncollectible	5 years from establishment with no activity	Must be uncollectible
MT ²	5 years from establishment; 10 years with lien	Bankruptcy or death	5 years from establishment; 10 years with lien	

OVERPAYMENTS

TABLE 6-4: STATE OVERPAYMENT WRITE-OFF CRITERIA

State	Nonfraud		Fraud	
	Age Requirement	Other Criteria	Age Requirement	Other Criteria
NE ^{1, 3}		Bankruptcy, death, incarcerated 5+ years, or can't be located and overpayment 10+ years		Bankruptcy, death, incarcerated 5+ years, or can't be located and overpayment 10+ years
NV ²	3 years from establishment		3 years from establishment	
NH ^{2, 3}		If in best interest of state		If in best interest of state
NJ ²	6 months to 1 year from date of delinquency	Depends on date of last payment, proof and date of individual contact	6 months to 1 year from date of delinquency	Depends on date of last payment, proof and date of individual contact
NY ¹	6 years from latest action		6 years from latest action on overpayment; if judgment, 20 years from date judgment filed	
NC ²		Death		Death
ND ¹		Bankruptcy, death, inability to locate claimant, or current status of employment		
OH ²	3 years from final decision		6 years from final decision	
OK ²	1 year from end of current BY when overpayment established	Administrative error only		
OR ²	5 years from final decision; if nonfault overpayment, after 5 years	≤ state max WBA or uncollectible; also, must be no payments within last 3 months	5 years from final decision	≤ 1/2 state max WBA or uncollectible; also, must be no payments within last 3 months; not if conviction
PA ²	If nonfault, 4 years from application for benefits date; 7 years if fault	Not written off if liened	10 years from application for benefits date	Not written off if liened
PR ²	5 years from establishment	Bankruptcy or death	5 years from establishment	Bankruptcy or death
RI ¹	5 years from detection and no refund activity	Bankruptcy, death, or any overpayment ≤ \$100; system allows reactivation of overpayment if individual files a claim and/or starts to repay	5 years from detection and no refund activity	Bankruptcy, death, or any overpayment ≤ \$100; system allows reactivation of overpayment if individual files a claim and/or starts to repay
SC ²	5 years from establishment		6 years from establishment	
SD ²		Bankruptcy or death and 10 years or more		Bankruptcy or death and 10 years or more
TN ²	6 years from establishment		6 years from establishment	
UT ³	Fault overpayments subject to accounting write-off after 3 years if deemed uncollectible; mandatory write-off as to offset at 8 years	Nonfault overpayments	Accounting write-off after 3 years if deemed uncollectible; no write-off as to benefit eligibility	
VT ²	5 years from determination date; if judgment order, 8 years from judgment date	Bankruptcy or death	5 years from determination date; if judgment order, 8 years from judgment date	Bankruptcy or death
VA ²	7 years from determination date	Bankruptcy or death	7 years from determination date	Bankruptcy or death

OVERPAYMENTS

TABLE 6-4: STATE OVERPAYMENT WRITE-OFF CRITERIA

State	Nonfraud		Fraud	
	Age Requirement	Other Criteria	Age Requirement	Other Criteria
VI ¹	2 years from final decision	Deceased w/o assets, incarcerated for a long time, permanently disabled or physically unable to work and w/o assets, is no longer in VI, or cannot be located		
WA ²		No cost-effective means of collecting		No cost-effective means of collecting
WV ²	5 years from last day of week overpaid	Bankruptcy or death	10 years from last day of week overpaid	Bankruptcy or death
WI ¹	7 years from decision	Bankruptcy or death with no assets; no collection activity in 3 years; no assets or wages found	7 years from decision	Bankruptcy or death with no assets; no collection activity in 3 years; no assets or wages found
WY ²	8 years from effective date of claim; can write off any time if deceased with no assets or insolvent with no assets	Cannot locate, totally unable to work, and covered wages < ½ of average state weekly wage		Cannot locate, totally unable to work, and covered wages < ½ of average state weekly wage
GENERAL NOTE: For additional information, consult state law, regulations, and policy. CT, HI, NM, and TX - are not included in this table because they do not write-off overpayments. ¹ Write-off provisions found in policy. ² Write-off provisions found in law. ³ Write-off provisions found in regulation.				

CHAPTER 7

APPEALS

IN GENERAL

This chapter provides information about state law provisions concerning unemployment compensation appeals, limits for first- and second-level appeals, and state details about judicial review. Federal law requires states to offer unemployment compensation claimants the opportunity for a fair hearing before an impartial tribunal in the event a claim is denied. Therefore, all state laws provide for a right to appeal. Further, all but a few state laws provide for a second-level appeal. In all states, individuals who are not satisfied with the outcome of the administrative appeal(s) may appeal their cases in the state court system, federal courts, and, as a last resort, the U.S. Supreme Court.

In all states, employers who have an interest in the outcome of a claim decision are granted the right to appeal a decision. In *California Dept. of Human Resources Development v. Java*, 402 U.S. 121 (1971), the Supreme Court interpreted the federal requirement that a state insure full payment when due, found in Section 303(a)(1) of the Social Security Act, to mean that a state cannot withhold payment of benefits to an individual who has previously been found eligible until the agency issues a subsequent decision or determination finding the individual ineligible. Accordingly, an employer's appeal will not prevent payment of benefits to a claimant until a subsequent decision is issued denying benefits. The majority of state laws specifically provide for the payment of benefits pending an appeal of a determination or decision allowing benefits, while other states have either interpreted their laws or have been required by court order to follow this procedure. In all states, this procedure applies to any determination or decision issued allowing benefits.

Most states specify that findings of fact, conclusions of law, or final orders made by a hearing officer or board of review will not be binding in any separate or subsequent proceeding brought in any judicial, administrative, or arbitration proceeding at the state or federal level. The states that do not specify this are listed in the table below. Some state laws provide that information obtained in connection with the UI law may not be used in certain civil lawsuits as well.

TABLE 7-1: STATES THAT DO NOT SPECIFY THAT FINDINGS, CONCLUSIONS, OR ORDERS OF HEARING OFFICERS ARE NOT BINDING IN ANY OTHER PROCEEDING

Alabama	Delaware	Hawaii	Kentucky	Maryland
Mississippi	Puerto Rico	Rhode Island	South Carolina	Virginia
Virgin Islands	West Virginia			

FIRST- AND SECOND-LEVEL APPEALS

FIRST-LEVEL APPEALS—Any interested party – defined by state law, but commonly referring to claimants, employers, and state UC agencies – can file an administrative appeal of a determination when they do not agree with the decision to allow or deny benefits. All appeals of a determination must be timely filed, or the determination will be final.

Typically, state laws provide that appeals at the first-level will be conducted by an official called a referee, an examiner, or an administrative law judge. A few states provide for a process wherein a special examiner is designated to review and, where appropriate, redetermine the original decision before the matter is forwarded to an official.

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Once the appeal decision is made, it generally becomes final unless an additional appeal is timely filed to the next level of appeal in a state. However, as an intermediate step before pursuing additional appeals, in some states individuals may request reconsideration of the appeal official's decision before it becomes final.

SECOND-LEVEL APPEALS—Any interested party who disagrees with a first-level administrative appeal decision must timely file an appeal of that decision to the second-level appeal body or the decision becomes final. A few states have no second-level appeal body. In those states, the next level is the state court system.

About half of the states with second-level appeals do so with three individuals who are collectively called a board of review, a board of appeals, or an appeals board. Generally, the members of a board are comprised of individuals who represent labor organizations, employees, employers, and the general public. Some common requirements related to the composition of an appeals board are location of residence; political affiliation; whether the individual is an attorney; and whether the individual is designated as an employer or employee representative.

In the remaining half of the states with second-level appeals, an existing commission or agency head handles second-level appeals. Some states require a contested determination involving a labor dispute be appealed directly to the second-level appeal body.

TIME LIMITS FOR FILING APPEALS AND FILING WITH APPELLATE ENTITIES—The number of days for filing a first- or second-level appeal varies among the states; ranging from seven to 30 days after mailing, delivery, or electronic transmission of a notice of determination or decision to an interested party. Some states specify that a “day” is defined as a calendar day, while others do not define “day.” Most states extend the filing deadline date when that date is a Saturday, Sunday, holiday, or any other day the state agency is closed. Many states allow an appeal filing deadline to be extended, and thereby allow a party to file an appeal after the deadline, if the appealing party can meet the state law's standard for doing so, such as by showing “good cause” for filing the late appeal. State-specific information for filing first- or second-level appeals can be found in Table 7-2.

TABLE 7-2: TIME LIMITS FOR FILING APPEALS			
State	First-Level Appeals	Second-Level Appeals	
	Number of Days for Filing	Number of Days for Filing	Appellate Entity
AL	15 ¹ after mailing; 7 ¹ after delivery	15 ¹ after mailing date	Board of Appeals
AK	30 after mailing or personal delivery; an additional 3 days if mailed	30 after mailing or personal delivery; an additional 3 days if mailed	Commissioner
AZ	15 ¹ after mailing; 7 ¹ after delivery	30 ¹ after mailing or electronic transmission	Appeals Board
AR	20 ¹ after mailing or delivery	20 ¹ after mailing or delivery	Board of Review
CA	30 ¹ after mailing date on notice or personal service	30 ¹ after mailing date on notice or personal service	Appeals Board
CO	20 ¹ after mailing or personal delivery	20 ¹ after mailing or personal delivery	Industrial Claim Appeals Office
CT	21 ¹ after notice mailed or provided	21 ¹ after mailing	Board of Review
DE	10 ¹ after mailing	10 after decision is final	UI Appeal Board
DC	15 ¹ after mailing or actual delivery	No Second-Level Appeal	
FL	20 ¹ after mailing or delivery	20 ¹ after mailing or delivery	Reemployment Assistance Appeals Commission
GA	15 ¹ of decision release date	15 ¹ of decision release date	Board of Review
HI	10 after mailing or delivery	No Second-Level Appeal	

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TABLE 7-2: TIME LIMITS FOR FILING APPEALS

State	First-Level Appeals	Second-Level Appeals	
	Number of Days for Filing	Number of Days for Filing	Appellate Entity
ID	14 after mailing or delivery	14 after actual mailing or delivery	Industrial Commission
IL	30 ¹ after mailing or delivery	30 ¹ after mailing or delivery	Board of Review
IN	10 after mailing or delivery; an additional 3 ¹ if mailed	15 after mailing or delivery; an additional 3 ¹ if mailed	Review Board
IA	10 ¹ after date of decision	15 ¹ after date decision	Employment Appeal Board
KS	16 ¹ after mailing or delivery	16 ¹ after mailing or delivery	Board of Review
KY	30 after mailing	30 after mailing	UI Commission
LA	15 after mailing	15 after mailing	Board of Review
ME	15 ¹ after mailing	15 ¹ after mailing	UI Commission
MD	15 ¹ after mailing or delivery	15 ¹ after mailing or delivery	Board of Appeals
MA	10 after mailing or delivery	30 after mailing	Board of Review
MI	30 after mailing, by facsimile, or other electronic method	30 after mailing, by facsimile, or other electronic method	UI Appeals Commission
MN	20 ¹ after mailing, facsimile, or electronic transmission	No Second-Level Appeal	
MS	14 after notification or mailing	14 after notification or mailing	Board of Review
MO	30 after date of notification or mailing	30 after date of notification or mailing	Labor Commission
MT	10 after mailing	10 after mailing	Unemployment Insurance Appeals Board
NE	20 ¹ after delivery or mailing	No Second-Level Appeal	
NV	11 after mailing or personal service of determination or redetermination	11 after mailing or delivery	Board of Review
NH	14 ¹ after mailing	14 ¹ after mailing	Appellate Board
NJ	7 ¹ after receipt (employers), 21 ¹ after mailing (claimants)	20 ¹ after notification or mailing	Board of Review
NM	15 ¹ from the date on the notice	15 ¹ from the date on the notice	Board of Review
NY	30 after mailing or personal delivery	20 after mailing or personal delivery	Appeal Board
NC	30 after notification or mailing, whichever is earlier	10 after notification or mailing, whichever is earlier	Board of Review
ND	12 after mailing or service	12 after mailing or service	Bureau
OH	21 ¹ after mailing of determination or redetermination	21 ¹ after mailing	Unemployment Compensation Review Commission
OK	10 ¹ after mailing or delivery	10 ¹ after mailing or delivery	Board of Review
OR	20 after mailing or delivery	20 after mailing or delivery	Employment Appeals Board
PA	21 ¹ days after the determination date	21 days after the decision date	Unemployment Compensation Board of Review
PR	15 after mailing or delivery	15 after mailing or delivery	Secretary of Labor
RI	15 ¹ after mailing	15 after mailing	Board of Review
SC	10 after mailing	10 ¹ after mailing	Department of Employment and Workforce Appellate Panel
SD	15 after mailing	15 after mailing or notification	Secretary of Labor and Regulation

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TABLE 7-2: TIME LIMITS FOR FILING APPEALS

State	First-Level Appeals	Second-Level Appeals	
	Number of Days for Filing	Number of Days for Filing	Appellate Entity
TN	15 ¹ after mailing or delivery, whichever occurs first	15 ¹ after mailing or delivery, whichever occurs first	Office of Administrative Review
TX	14 ¹ after mailing	14 ¹ after mailing	Commission Appeals
UT	10 ¹ after mailing or delivery	30 ¹ after mailing or delivery	Workforce Appeals Board
VT	30 from date of the determination	30 from date of the decision	Employment Security Board
VI	10 after mailing or delivery	No Second-Level Appeal	
VA	30 ¹ after mailing date or delivery	30 after mailing or delivery	Office of Commission Appeals
WA	30 after mailing or notification, whichever is earlier	30 after mailing or notification, whichever is earlier	Commissioner's Review Office
WV	8 ¹ after mailing or delivery	8 ¹ after mailing or delivery	Board of Review
WI	14 after mailing or delivery, whichever first occurs	21 from the date of the decision	Labor and Industry Review Commission
WY	28 ¹ after mailing	28 ¹ after mailing	Employment Security Commission
¹ Indicates "calendar" days If unmarked, type of "days" is not specified			

JUDICIAL REVIEW

After the first (for states with no second-level appeal opportunity) or second-level appeal, all states' laws provide for an additional level of appeal called judicial review, which is an appeal to the state's court system. Depending on state law, this appeal is filed at the state's trial or appellate court level.

The decision of the administrative appeals body becomes final unless an appeal is filed for judicial review. Some states require the decision of the administrative appeals body to be final for a specified number of days before a request for judicial review may be filed. In general, the time limit for filing for judicial review ranges from 10 to 30 days, as shown in Table 7-3.

TABLE 7-3: JUDICIAL REVIEW

State	Number of Days for Filing		Court of Initial Jurisdiction
	After Notification	Other	
AL		30 from the date the Board decision becomes final	Circuit Court in county where claimant resides; or if claimant not residing in state, claimant must file in the county where claimant last worked or resided
AK	30 ¹		Superior Court
AZ	30 ¹		Court of Appeals
AR	30 ¹		Court of Appeals
CA		Within 6 months of date of decision, or date it is designated a precedent, whichever is later	Superior Court; by court rule, no statutory provision
CO	21 ¹		Court of Appeals
CT	30 ¹		Superior Court in Hartford or district where appellant resides

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TABLE 7-3: JUDICIAL REVIEW

State	Number of Days for Filing		Court of Initial Jurisdiction
	After Notification	Other	
DE	10 + 10 ²		Superior Court
DC		Within 30 days after date of decision	Court of Appeals
FL		Within 30 ¹ days of date of entry of decision (prescribed by appellate rules)	District Court of Appeals in appellate district where claimant resides or the job separation arose, or in the appellate district where the order was issued
GA	15 + 15 ²		Superior Court in county or city where claimant last worked
HI		30 from preliminary ruling or after service of certified copy of final agency decision and order	Circuit Court in county where claimant resides, or in county or city where claimant last worked
ID	42		Supreme Court
IL	35		Circuit Court in county where claimant resides or county where business is located; non-resident may file suit in Circuit Court of Cook County
IN		30 ¹ days from date of filing notice of intention to appeal	Court of Appeals
IA	30 ¹ after date of notice		District Court in county where claimant resides; non-resident may file suit in District Court of Polk County or where claimant last worked
KS	16 ¹		District Court in county where claimant resides; non-resident may file suit in Shawnee County District Court or in county in which business is located
KY		20 days after date of decision	Circuit Court in county or city in which claimant last worked
LA	15		District Court where claimant resides; or if claimant not residing in state at time of filing petition, claimant may file in District Court in the parish where claimant resided when the UI claim was filed or in the parish where the Louisiana Workforce Commission is located
ME	30 ¹		Superior Court in county where plaintiff lives or does business
MD	30		Circuit Court for Baltimore City, or one of the Circuit Courts in a county in Maryland
MA	30		District Court in county where claimant resides, or in the county or city where claimant last worked, or in the district of employer's usual place of business
MI	30		Circuit Court in county where claimant resides, or last worked, or county where the business is located
MN	30 ¹		Court of Appeals
MS	10 + 10 ²		Circuit Court of the county where party resides, the county where the action arose, or in the county of employment
MO	10 + 20 ²		Appellate Court; appeals on interstate claims will be in Court of Appeals for the Western District
MT	30		District Court in county in which claimant resides
NE	30		District Court in county in which claimant resides or last worked; a District Court parties agree upon; or District Court of Lancaster County
NV	11		District Court in the county where employment was performed
NH	30		Supreme Court
NJ	45		Superior Court, Appellate Division
NM	30		District Court in the county where claimant resides

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TABLE 7-3: JUDICIAL REVIEW

State	Number of Days for Filing		Court of Initial Jurisdiction
	After Notification	Other	
NY	30		Supreme Court, Appellate Division, Third Department
NC	30		Superior Court in county where claimant resides or the county where the business is located
ND	30		District Court
OH	30		Court of Common Pleas in county where claimant resides or last worked, or the county where the business is located
OK	30		District Court in county where claimant resides; non-resident may file suit in District Court of Oklahoma County
OR		30 days after order is served	Court of Appeals
PA	30 ¹		Commonwealth Court
PR	30		Court of First Instance where claimant resides
RI	30		District Court - Sixth Division, State of Rhode Island
SC	30		Administrative Law Court
SD		30 days of the date of decision	Circuit Court
TN		30 days after decision of commissioner has become final	Chancery Court in county where claimant resides; non-resident may file suit in Chancery Court of the county where employer is located
TX		14 days after decision of commissioner has become final	Civil Court in county where claimant resides; non-resident may file suit in Travis County Court or in county where claimant last resided or where claimant's last employer's principal place of business is located
UT		30 days after date of decision	Court of Appeals
VT		30 days after date of decision	Supreme Court
VA	30		Circuit Court where claimant last worked
VI	30		District Court
WA	30		Superior Court; appeals on intrastate claims filed in petitioner's choice of Thurston County, or county of residence or business; appeals on interstate claims in Thurston County
WV	30		Circuit Court of Kanawha County
WI	30		Circuit Court of the county where plaintiff resides, except if the plaintiff is a state agency, the proceedings must be in the state where the defendant resides; if the plaintiff is a non-resident of Wisconsin, the proceedings must be in the Circuit Court of the county where the claim arose; cases can be brought in any other county circuit court if the parties and the court agree
WY	30		District Court of the county where the administrative action was taken, or where the claimant resides, or where the employer's principal place of business is located

¹ Indicates "calendar" days.

² Where two figures are shown, the first is the number of days after which the decision becomes final with the state agency; the second is the additional time allowed to seek judicial review.

CHAPTER 8

TEMPORARY DISABILITY INSURANCE

IN GENERAL

The Temporary Disability Insurance (TDI) program is designed to complement a UI program by providing wage replacement to individuals who are unable to work due to illness or injury that occurs not in connection to the work. Although federal law does not provide for a federal-state TDI system, SSA and FUTA both authorize the payment of TDI from a state's unemployment fund. This payment is capped at an amount equal to the amount of employee payments made into the unemployment fund of the state.

State law determines which disabilities and services are covered under TDI, the extent to which employers and employees pay for this coverage, the extent to which employers may pursue private coverage or state coverage, the amount of disability benefits based on an individual's work history, and the eligibility requirements for an individual collecting disability benefits. An individual may collect disability benefits while employed or unemployed, depending on state law.

Currently, six states operate TDI programs: California, Hawaii, New Jersey, New York, Puerto Rico, and Rhode Island. The Hawaii program is administered by the Disability Compensation Division of the Hawaii Department of Labor and Industrial Relations. The New York program is administered by the New York State Workers' Compensation Board. All other programs are administered by the state employment security agency.

Historical Note: Rhode Island passed the first TDI law in 1942, followed by California in 1946, New Jersey in 1948, New York in 1949, Puerto Rico in 1968, and Hawaii in 1969.

DEFINITION OF DISABILITY

In general, state TDI laws define disability in terms of an individual's inability to perform their regular or customary work because of a physical or mental condition. New Jersey law provides individuals must be continuously and totally unable to perform the duties of their job, while New York and Puerto Rico provide individuals must be unable to perform work they are reasonably qualified, by training and experience, to perform.

Under all participating state laws, medical certification of disability is required from the claimant's attending doctor, with minor differences in the types of medical personnel permitted to certify. For example, in California, Hawaii, and New York an authorized religious practitioner may certify disability. All participating states' laws give the agency authority to require claimants, without cost to themselves, to submit to examination by a designated licensed physician.

EXCLUSION FROM DISABILITY PAYMENTS—A disability caused by willful, intentional, or self-inflicted injury is excluded from TDI coverage in Hawaii, New Jersey, New York, and Puerto Rico. A disability resulting from participation in an illegal act is specifically excluded from TDI coverage in California, Hawaii, New Jersey, New York, and Puerto Rico. New York also excludes disabilities resulting from an act of war after June 30, 1950. California and Puerto Rico prohibit payments for any period of confinement (because of a criminal violation) in an institution or treatment center as a substance abuser or sexual psychopath. In Puerto Rico, benefits are not payable for disability in cases caused by or stemming from abortion.

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UNINTERRUPTED PERIOD OF DISABILITY—There are times when an individual will experience more than one occurrence of disability due to the same, or a related, cause or condition. State law determines when a cause can be considered to result in a separate disability period.

TABLE 8-1: CONSECUTIVE PERIODS OF DISABILITY	
CA	Consecutive disability periods due to same or related cause and separated by not more than 14 days
HI	Consecutive periods of disability due to same or related cause and not separated by an interval of more than 2 weeks
NJ	Consecutive periods of disability due to same or related cause and separated by not more than 14 days if individual earned wages from their last employer during the 14-day period
NY	Consecutive disability periods caused by same or related injury or sickness if separated by less than 3 months
PR	Consecutive disability periods caused by same or related illness or injury if separated by less than 90 days
RI	Not defined

COVERAGE

Whether an employee is covered, meaning potentially eligible to receive payment under TDI laws, varies among the six states. Depending on the state, exemptions and elections of coverage are allowed.

TABLE 8-2: COVERAGE PROVISIONS	
CA	Employers of one or more workers and \$100 in quarterly payroll, agricultural employees, certain domestic workers who are paid \$1,000 or more, and employees of nonprofit hospitals
HI	Employers of one or more workers
NJ	Employers who paid \$1,000 in any year
NY	Employers of one or more workers on each of at least 30 days and domestic workers who work a minimum of 20 hours and are employed on each of at least 30 days; individuals can elect out on grounds that they are entitled to Old Age and Survivor's Insurance benefits
PR	Employers of one or more workers on any day of current or preceding calendar year
RI	Employers of one or more workers at any time, except that certain individual workers can opt out on religious grounds or if disabled and employed through a "supported employment" program

FINANCING

All six states require employees to pay contributions to finance TDI, while of the six, only four states require employers to pay TDI contributions. In some states employee contributions collected for TDI were at one time deposited into accounts designated for UI. Through legislation, this issue was corrected, and employee contributions are now deposited into the state's disability fund.

TYPE OF FUND—Each participating state has a unique TDI fund construct. Generally, TDI funds can be set up to pay benefits out of a pooled state fund or a private plan. When contributions are paid into a pooled state fund, all benefits are paid from the pooled fund. An example of a pooled state funding construct can be found in Rhode Island.

When benefits are paid from a private plan, payment can occur in a variety of ways. In California, New Jersey, and Puerto Rico, coverage under a private plan (usually with an insurance company) may be substituted for coverage under the state fund if the private plan is approved by the agency as meeting certain requirements of the law. Contributions are then paid into the private plan and benefits are paid by it; generally, one plan for disabilities beginning during employment and one plan for disabilities beginning shortly thereafter. In Puerto

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Rico, benefits under a private plan are paid to individuals for periods of disability that begin during unemployment or while employed in noninsured work.

Hawaii and New York are similar to an employer liability law in that they require employers to take positive action to provide disability insurance for their workers, with employees contributing to the cost. In New York, the employer may provide the protection through self-insurance, or through buying an insurance contract from either a private insurance company or the state insurance fund, which is a state-operated competitive carrier originally organized for workers' compensation. Additionally, New York employers may purchase Enriched Disability Benefits Insurance coverage to provide employees a weekly benefit amount that is above the statutory maximum. In Hawaii, employers may provide protection through private plans with an authorized insurance carrier or through approved self-financing. In addition, there is a special state fund for unemployed workers and employees of bankrupt or noncomplying employers.

AMOUNT OF CONTRIBUTIONS—Each participating state has different calculations for determining the contribution rates for employees and employers. The following table shows the amount of TDI contributions required for both employers and employees.

TABLE 8-3: AMOUNT OF CONTRIBUTIONS			
State	Employer Contributions (ER)	Employee Contributions (EE)	Taxable Wage Base (TWB)
CA	None; optional; may elect to pay all or part of employee amount	0.1 – 1.5% of TWB ¹	\$153,164
HI	At least ½ plan costs, plus additional costs, plus additional costs not charged to employee	Up to ½ plan costs, but not more than 0.5% of avg. weekly wages; with the maximum not to exceed \$5.51 weekly.	\$1,318.48 weekly
NJ	0.1% - 0.75% of TWB ²	0.1%-1.1% of TWB ²	\$41,100 (ER) \$156,800 (EE)
NY	Balance after employee contributions	0.5% of wages paid (up to 60¢ weekly)	None
PR	0.6% of TWB which is shared by employer and employee ³		\$9,000
RI	None	1.1% of TWB	\$84,000

¹ Rate may not decrease from the previous year's rate by more than 1.2%; the 2023 rate is 0.9%.

² Percent of TWB of each employee based on experience rating; rate may decrease to 0.1% or increase to 1.1% on basis of employer's reserve ratio, how long a covered employer, and the status of the state UI fund as a whole. For 2023, there are no employee contributions as employee contributions are only necessary to ensure the total fund balance meets 125% of the benefits which were paid for periods of family temporary disability leave during the last preceding full fiscal year, plus an amount equal to 100% of the cost of administration of the payment of those benefits during the last preceding full fiscal year, less the amount of net assets remaining in the account as of December 31 of the immediately preceding calendar year.

³ If the employer elects a private plan, the employee does not have to pay the contribution. The employee contribution may not be greater than .30%.

FINANCING BENEFITS FOR DISABILITY DURING UNEMPLOYMENT—In California, where administration of benefits, via contract with a third-party administrator, is permitted, there is no distinction between the amount of benefits payable to individuals who are employed and unemployed, but the latter are charged to a special account in the state fund depending on whether the workers were covered by the state plan or a private plan when employed. Each voluntary plan pays 14 percent of the amount due annually for contributions into the state fund to finance benefits to persons who are either unemployed or working in noncovered employment at the time their period of disability begins.

Hawaii levied a temporary contribution rate of 0.2 percent on the taxable wages of subject employers from July to December 1969 to establish the Special Disability Fund from which benefits are paid during unemployment. Additional amounts are assessed against insurance carriers and self-insured employers as needed. Hawaii now operates the TDI Special Fund to provide payment for individuals who are unemployed and individuals whose employers have failed to provide TDI coverage or who have gone bankrupt.

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The New Jersey program for disability during unemployment is financed by contributions from both employees and employers. Employee contributions are a percentage of an earnings threshold, known as the wage cap, and is set annually, on January 1 of each year, based on the average weekly wage statewide. The employer contributions vary from 0.10 percent to 0.75 percent of the wage cap.

New York levied a temporary contribution from January 1 to July 1, 1950, of 0.1 percent on the first \$60 in weekly wages by both employers and employees (*i.e.*, not more than 60 cents a week each) to establish the fund from which benefits were first paid for disability during unemployment. This fund has been maintained at \$12 million (by statute) using interest earned by the fund, by certain fines and penalties, and, when necessary, by an assessment against all carriers including the state fund.

In Puerto Rico, private plans must finance some or all of the disability benefits payable to workers for periods of disability that begin during unemployment or employment in uninsured work.

In Rhode Island, all benefits are paid from the state fund with no distinction between disabilities beginning during employment and those beginning during unemployment.

ADMINISTRATIVE COSTS—Federal law does not allow the amount of employee payments withdrawn from the unemployment trust fund to be used for administrative costs. Administrative costs under five programs are paid from the employer and employee contributions; in Hawaii, such costs are paid from general revenue. In New Jersey, 0.01 percent of taxable wages is credited from the state disability fund to the administration account. In California and Puerto Rico, necessary administrative expenses, as determined by the State Director of Finance (California) or the Secretary of Labor (Puerto Rico), are withdrawn from the disability fund and each private plan is assessed a share of the total amount expended for added administrative work arising out of the voluntary plans.

New Jersey employers covered by the state fund pay an extra assessment for the costs of maintaining separate accounts for experience-rating purposes. Employers with private plans are assessed the additional administrative costs attributable to private plans in proportion to covered wages, with a maximum annual assessment of 0.5 percent of wages. Included in this assessment is a prorated share of the administrative costs of the system for the unemployed.

In New York, the state insurance fund is limited to 25 percent of contributions for administrative expenses. The administrative costs to the state of the programs for both employed and unemployed workers, not including the expenses of the state fund as a carrier, are assessed against all carriers, including the state fund, in proportion to covered wages, with no limit.

BENEFIT PROVISIONS

The TDI benefit provisions are shown in the tables below. In all participating states, eligibility for benefits depends on proof of disability and continuation of such disability. Some states also have special provisions for individuals with specific circumstances (*e.g.*, military service, trade affected, unemployed, etc.).

TABLE 8-4: BENEFIT YEAR AND BASE PERIOD			
State	Benefit Formula	Benefit Year	Base Period
CA	Differs from UI	No BY; rights determined with respect to continuous disability period established by valid claim	First 4 of last 5 CQs preceding disability
HI	Differs from UI	1-year period beginning with 1 st week of disability for which valid claim is filed	None; see tables in TDI statute for period used for qualifying employment and WBA

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TABLE 8-4: BENEFIT YEAR AND BASE PERIOD			
State	Benefit Formula	Benefit Year	Base Period
NJ	Differs from UI	No BY but statutory minimum and maximum benefits in any 12-month period	52 calendar weeks immediately preceding calendar week in which disability period began
NY	Differs from UI	No BY; maximum benefits limited in terms of any 52 consecutive weeks	No BP as used in UI; see tables in TDI statute for period used for qualifying employment and WBA
PR	Same as UI for agricultural and nonagricultural workers up to \$64 WBA	No BY; maximum benefit limited in terms of any 52 consecutive weeks	First 4 of last 5 completed CQs immediately preceding 1 st day of disability
RI	Similar to UI	Begins Sunday of calendar week in which the individual first became unemployed due to illness and has filed a valid claim for TDI (52 consecutive weeks; 53 if overlaps with any quarter of BP of prior claim)	First 4 of last 5 completed CQs immediately preceding BY or last 4 completed quarters if the individual fails to meet qualifying wage requirement

The following table describes the minimum qualifying wage amounts, or employment, required for TDI coverage.

TABLE 8-5: QUALIFYING WAGES OR EMPLOYMENT	
CA	A minimum of \$300 in base period
HI	14 weeks of employment with at least 20 hours in each week and wages of \$400 during the 4 completed CQs-immediately preceding 1 st day of disability
NJ	20 weeks of employment at 20 times the minimum wage during the base year or 1,000 times the minimum wage during the base year; or \$13,000 in earnings for individuals who have not established 20 base weeks
NY	Employed at least 30 days
PR	A minimum of \$150 in base period
RI	(1) 200 x minimum hourly wage in 1 quarter and BPW of 1½ x HQ, and BPW must be at least 400 x minimum hourly wage, or (2) paid total BPW of at least 3 x total minimum amount required in (1) above

The following table describes the weekly benefit amounts and length of time benefits may be collected under each state's TDI program.

TABLE 8-6: WEEKLY BENEFIT AMOUNT AND DURATION OF BENEFITS		
State	Weekly Benefit Amount	Duration
CA	\$50 - \$1,620	Up to 52 weeks
HI	\$1 - \$765	Up to 26 weeks in BY
NJ	\$10 - 1,025	Up to 26 weeks or period necessary for benefits to equal ⅓ of total wages in base year
NY	\$20 - \$170	Uniform potential 26 weeks in any 52 consecutive weeks or for any single period of disability
PR	Non-agricultural workers: \$12 - \$113 Agricultural workers: \$12 - \$55	Uniform potential 26 weeks in any 52 consecutive weeks
RI	\$121-\$1,007, plus dependents' allowance (equal to the greater of \$10 or 7% of the individual's benefit rate for each dependent, up to 5 dependents)	1 - 30 weeks

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Similar to some state UI laws, most state TDI laws require individuals to wait a period of time before TDI benefits may be collected. In some states, this period can retroactively change depending on the length of the period of disability or depending on the type of work being done. The table below explains how states treat the waiting period.

TABLE 8-7: WAITING PERIOD	
CA	7 consecutive days of disability at the beginning of each period of disability
HI	7 consecutive days of disability at the beginning of each period of disability
NJ	7 consecutive days of disability commencing with the Sunday of the week in which the claim is filed; becomes compensable after benefits have been paid for all or some part of each of the 3 weeks immediately following the waiting week
NY	7 consecutive days of disability at the beginning of each period of disability
PR	7 consecutive days of disability at the beginning of each period of disability; no waiting period for agricultural workers who become disabled during continuous period of unemployment; no waiting period required for regular benefits for hospitalized individual or for individual unemployed and disabled for more than 14 days
RI	Waiting week eliminated 7/1/2012; as a condition of eligibility, an individual must have been unemployed due to nonjob-related injury or sickness for at least 7 consecutive days

PARTIAL WEEKS OF DISABILITY—In all participating states weeks of partial disability are treated different from weeks of partial unemployment. Partial weeks of disability are traditionally payable when an individual resumes work on a less than full time basis, and consequently receives some wages during a week in which the disability still exist. The table below explains how partial weeks of disability are compensated across the participating states.

TABLE 8-8: PARTIAL WEEKS OF DISABILITY	
CA	Benefits payable for less than 1 week will be paid in increments of 1/7 WBA
HI	Benefits payable for less than 1 week will be paid in increments of 1/5 WBA
NJ	Benefits payable for less than 1 week will be paid in increments of 1/7 WBA payment for part week rounded to next higher dollar
NY	Benefits payable for less than 1 week will be paid in increments of the WBA divided by the number of the employee's normal workdays per week (daily benefits computed on basis of normal number of workdays per week)
PR	Benefits payable for less than 1 week will be paid in increments of 1/7 WBA rounded to higher dollar
RI	For each day of qualifying unemployment, worker receives benefits at the rate of 1/5 WBA for each workday up to 4/5 WBA rounded to next higher dollar

BENEFITS UNDER PRIVATE PLANS—California requires that private plans provide benefit rights greater than those under the state plan in all respects. In Hawaii, New Jersey, and Puerto Rico, private plan benefits must be at least as favorable to workers as those under the state plans. Hawaii permits deviations from statutory benefits if the benefits provided under the private plan are actuarially equal or better.

In New York, benefits in the formula in Table 8-6, Weekly Benefit Amounts and Duration of Benefits, may be reduced if the plan of insurance includes a shorter waiting period or other benefits, such as hospitalization benefits; weekly benefits may be less than 50 percent of wages if maximum duration is more than 26 weeks. Employees may be required to contribute more than 0.5 percent of wages paid if additional benefits warrant the extra cost.

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SURVIVORS' BENEFITS—In some states, following the death of an insured worker, the insured's legal survivor is entitled to receive benefits. In California and New Jersey, if a claim for disability benefits was not filed by an otherwise eligible individual prior to their death, a claim may be filed by another person who legally would be entitled to such benefits.

Puerto Rico provides a lump sum death benefit of \$4,000 to dependents of workers. Death benefits are payable upon the sudden death of an insured worker from injuries or an accident compensable under the law, or death resulting within 52 weeks of an onset of a disability because of sickness or injury. However, benefits may not be paid for death or injury caused by certain types of automobile accidents.

DISQUALIFICATION AND NONMONETARY ELIGIBILITY PROVISIONS

ELIGIBILITY REQUIREMENTS IN ADDITION TO WAGES—Under all participating state TDI programs, individuals must be in a non-work status because of disability. They may be declared ineligible for disability benefits if they withdrew from the labor force for reasons other than disability.

A California claimant who has been disqualified from UI is presumed to be disqualified from disability benefits for such weeks unless the claimant establishes that they are suffering a bona fide illness or injury, and the agency finds that there is good cause for paying such benefits. However, a claimant who is otherwise eligible for disability benefits is not disqualified from receiving those benefits because of a labor dispute disqualification for UI.

A Hawaii claimant must be in current employment status, meaning that they were performing regular service prior to the onset of the disability and would have continued in employment but for the disability. In addition, a claimant is ineligible for benefits during any period in which the claimant would be disqualified for UI because of a labor dispute or during any period in which the claimant performed work for remuneration, was unemployed because of an intentional self-inflicted injury, or attempted to obtain benefits through fraud, or failed to file a claim for disability benefits within 90 days after the commencement of the period of disability or as soon as was reasonably possible.

In New Jersey, a covered governmental employee must exhaust all sick leave before becoming eligible for disability benefits. New Jersey claimants for disability benefits beginning during employment also are ineligible if they would be disqualified for UI benefits because of a labor dispute, unless the disability began before the disqualification. New Jersey claimants must be under the care of a licensed physician or other qualifying medical personnel.

In Hawaii and New Jersey, claimants for disability during unemployment must meet all the requirements for UI except they may not be able to work; they are not eligible for disability benefits for any week of disability more than 26 weeks after the last week of covered employment.

In New York, although the TDI benefit formula is not related to the UI benefit formula, individuals who are or would be disqualified from UI benefits are disqualified from disability benefits.

RELATIONSHIP TO WORKERS' COMPENSATION—The TDI program is not intended to replace workers' compensation, although the relationship between the two programs differs among states.

In California, a claimant who is receiving or is entitled to receive workers' compensation for the same temporary disability is not eligible for disability benefits unless the disability benefit is higher than the weekly workers' compensation payment; in that case, the claimant is entitled to the difference from the disability fund. If the claimant's eligibility for workers' compensation has not been determined, the claimant may receive disability benefits subject to reimbursement from any workers' compensation benefits subsequently awarded for

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that week. Full benefits are payable for permanent disability regardless of cash payments under a workers' compensation law.

Hawaii does not permit duplication of benefits unless a claimant is receiving workers' compensation payments for permanent partial or total disability previously incurred. However, if a claimant's right to benefits under workers' compensation is disputed, the individual may receive disability benefits until their disability becomes compensable under workers' compensation. If a claimant subsequently receives workers' compensation payments, these payments are proportionately allocated among employers or insurers according to the amount of disability benefits paid by them.

In New Jersey, both the definition of disability and the eligibility conditions exclude disability benefits for any week for which workers' compensation, other than for permanent total or partial disability, is payable. However, if a claim for workers' compensation is contested, temporary disability benefits may be paid to an otherwise eligible claimant until the claimant's disability becomes compensable under the workers' compensation law.

The New York law defines disability to exclude illnesses or accidents arising out of or in the course of employment, whether or not worker's compensation is payable. It further provides that no benefits are payable for any period with respect to which workers' compensation, other than permanent partial benefits for a prior disability, is paid.

In Puerto Rico and Rhode Island, a claimant may receive disability benefits if there is doubt as to the individual's eligibility for workers' compensation. If the claimant later receives benefits from a workers' compensation program, the claimant is liable for repayment of the disability benefits. Puerto Rico limits the maximum weekly benefit amount payable while a claim for workers' compensation is under dispute to \$65. However, if the claimant is later found eligible for disability benefits, the claim will be recomputed. In addition, in Puerto Rico, no disqualification is applicable if the worker's compensation payment was made on account of partial permanent disability occurring prior to the disability for which disability benefits are claimed.

EFFECT OF OTHER TYPES OF INCOME ON ELIGIBILITY—Other types of income that affect TDI eligibility include wages, employer pensions, old-age benefits, and survivors' insurance benefits.

California provides that the daily combination of such wages and disability benefits shall not exceed one-seventh of the claimant's weekly wage, excluding overtime pay, immediately prior to the disability. Also in California, individuals are entitled to receive disability benefits reduced by the amount of a permanent disability indemnity if the permanent disability indemnity is less than the amount the individual would otherwise receive as disability benefits under the law.

New Jersey applies the UI formula for partial benefits to claimants receiving disability benefits during unemployment. Also, a claimant's disability benefit is reduced by the amount of any pension plan to which the claimant's most recent employer has contributed. In Puerto Rico, any claimant receiving any pension payments or retirement income is denied benefits unless, after receipt of the pension or retirement payment, the claimant has performed services in insured work for at least 15 weeks immediately preceding the disability.

In New York, any payment from the employer, or fund that the employer contributes to, will result in a reduction of benefits, except supplementary benefits paid pursuant to a collective bargaining agreement.

In Puerto Rico, a pregnant worker may not be paid during any period in which that individual is receiving benefits under the Act to Protect Working Mothers unless such benefits are less than the weekly disability benefit amount, in which case that individual may receive the difference.

In Rhode Island, claimants collecting TDI who return to work on a partial basis may receive partial disability benefits. The partial payment allows a person to earn and keep the first 20 percent of the weekly

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benefit amount without any penalty. After earning more than 20 percent of the weekly benefit amount, the benefits are reduced dollar for dollar. All earnings are taken into consideration in offsetting the partial benefits.

ADMINISTRATION

The systems of disability insurance are coordinated with UI systems, as the same wage record procedures are used for both programs. Claims procedures, however, necessarily differ for UI and TDI claimants. The first claim or notice of disability is normally filed after the end of the first week of disability. In both New Jersey and Rhode Island, all claims are sent to a central office. In California, both the initial and continued claims are sent directly to a field office. In New York, employed workers file claims with their employers, and unemployed workers file claims with the workers' compensation board.

After filing a claim, TDI claimants receive determinations concerning monetary and nonmonetary eligibility, like UI claimants. Individuals who are dissatisfied with determinations on their disability claims have the right to appeal under all participating state laws. In states where disability and UI benefits are coordinated, the appeal is to the UI appeal bodies; in New York, to the workers' compensation board; and in Hawaii, to the referee for temporary disability benefits. In the states with private plans, a private-plan claimant may also appeal to the state's unemployment appeal tribunal.

APPENDIX I

ACRONYMS USED IN THIS DOCUMENT

AAW	Average Annual Wage	MQ	Multi Quarter
AB	State Additional Benefits	OP	Overpayment
ABP	Alternative Base Period	OTAA	Office of Trade Adjustment Assistance
AW	Annual Wage		
AWW	Average Weekly Wage	RESEA	Reemployment Services and Eligibility Assessment
BAM	Benefit Accuracy Measurement		
BP	Base Period	SEA	Self Employment Assistance
BPW	Base Period Wages	STC	Short Time Compensation
BY	Benefit Year	SSA	Social Security Act
CQ	Calendar Quarter	SSDI	Social Security Disability Insurance
CY	Calendar Year		
CFR	Code of Federal Regulations	SUTA	State Unemployment Tax Act
DA	Dependents' Allowance	TDI	Temporary Disability Insurance
DUA	Disaster Unemployment Assistance	TAA	Trade Adjustment Assistance
		TRA	Trade Readjustment Assistance
EE	Employee	TEGL	Training and Employment Guidance Letter
ER	Employer		
ESAA	Employment Security Administration Account	TUR	Total Unemployment Rate
		TWB	Taxable Wage Base
EUCA	Extended Unemployment Compensation Account	UC	Unemployment Compensation
		UCX	Unemployment Compensation for Ex-Servicemembers
EB	Extended Benefits		
EBP	Extended Base Period	UCFE	Unemployment Compensation for Federal Civilian Employees
FECA	Federal Employees Compensation Account	UI	Unemployment Insurance
		UIPL	Unemployment Insurance Program Letter
FUA	Federal Unemployment Account		
FUTA	Federal Unemployment Tax Act	UTF	Unemployment Trust Fund
HQ	High Quarter	WBA	Weekly Benefit Amount
HQW	High Quarter Wages	WW	Weekly Wage
HUP	High Unemployment Period		
IUR	Insured Unemployment Rate		

APPENDIX II

STATE ABBREVIATIONS*

AL	Alabama	NE	Nebraska
AK	Alaska	NV	Nevada
AZ	Arizona	NH	New Hampshire
AR	Arkansas	NJ	New Jersey
CA	California	NM	New Mexico
CO	Colorado	NY	New York
CT	Connecticut	NC	North Carolina
DE	Delaware	ND	North Dakota
DC	District of Columbia	OH	Ohio
FL	Florida	OK	Oklahoma
GA	Georgia	OR	Oregon
HI	Hawaii	PA	Pennsylvania
ID	Idaho	PR	Puerto Rico
IL	Illinois	RI	Rhode Island
IN	Indiana	SC	South Carolina
IA	Iowa	SD	South Dakota
KS	Kansas	TN	Tennessee
KY	Kentucky	TX	Texas
LA	Louisiana	UT	Utah
ME	Maine	VT	Vermont
MD	Maryland	VA	Virginia
MA	Massachusetts	VI	Virgin Islands
MI	Michigan	WA	Washington
MN	Minnesota	WV	West Virginia
MS	Mississippi	WI	Wisconsin
MO	Missouri	WY	Wyoming
MT	Montana		

*Within the context of FUTA, the term “state” includes the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands.

APPENDIX III

UI INFORMATION ONLINE

<https://oui.doleta.gov/unemploy/>

Federal

On the left column of the page—OUI Navigation—click on “UI Legislation.”

- Brief explanation of the UI program
 - Under “Overview,” click on “Unemployment Compensation: Federal-State Partnership.”
- Digest of Federal UI law since the program was established in 1935
 - Under “Significant Historical Information,” click on “Chronology of Federal Unemployment Compensation Laws.”
- Directives and Advisories related to interpreting Federal law, sorted by type of directive/advisory and federal fiscal year; new documents issued periodically
 - Under “Federal Guidance,” click on “UIPLs and other Advisories.”

State

On the left column of the page—OUI Navigation—click on “UI Legislation.”

- Comparisons of state UI laws and significant UI provisions (current and archived editions)
 - Under “Overview,” click on either “Comparison of State UI Laws” or “Significant Provisions of State UI Laws.” Scroll down on the page to access archived editions.
- Reports on state legislative activity (current and archived editions)
 - Under “Overview,” click on “Report on State Legislation.” Scroll down on the page to access archived editions.

UI Data

On the left column of the page—OUI Navigation—click on “UI Data.”

- UI claims data at the national and state levels; issued weekly
 - Under “Benefits and Claims,” go to “State Benefits,” click on “Weekly Report.”
- Overview of the status of the UI program at the national and state levels; updated quarterly
 - Under “Benefits and Claims,” go to “State Benefits,” click on “Quarterly Data Summary.”
- Projections of revenues and outlays; updated semiannually
 - Under “Program Projections,” click on “UI Outlook.”
- Assorted UI-related charts illustrating national and state-by-state data; updated periodically
 - Lower on the page, under “Direct Data Access,” click on “Chartbook.”

Information concerning the creation of the Unemployment Insurance program in the 1930s is available at <https://www.ssa.gov/history>.

APPENDIX IV

Federal Unemployment Trust Fund



