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. It also includes information on the temporary disability programs operated in six states. The Comparison is published annually. This edition reflects the provisions of state law as of January 1, 2017.

The Comparison is issued solely for informational, reference, and research purposes. It is not an official interpretation of state UI laws. The state statutes should be consulted for the full text of state laws. Unless otherwise noted, the Comparison generally reflects state law, but not official interpretations of state laws, which are found in state rules and regulations, administrative and court decisions, and opinions of attorneys general.

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 Regional Offices 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#Statelaw. Other UI information is available online as listed in Appendix II 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 Click on the blue map and, on the next screen, click on the appropriate state.

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APPENDICES

Appendix I: Acronyms and State Abbreviations Used in this Document
Appendix II: UI Information Online
Appendix III: 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.

When examining coverage, there is one overarching issue: are the services performed by a worker covered? 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.

Other than service performed for the Federal government and railroads, Federal UI law does not technically "cover" services since no benefit rights accrue under Federal law. However, the taxing provisions of the Federal Unemployment Tax Act (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.

Federal law requires, as a condition for approval of the state's UI law, that certain services not subject to the FUTA tax – services performed for state and local governments, certain nonprofit organizations, and federally recognized Indian tribes – must be covered by state law. Further, since states cannot tax the Federal government, coverage is extended to Federal service under the Unemployment Compensation for Federal Civilian Employees (UCFE) and Unemployment Compensation for Ex-Service Members (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.

State laws governing coverage generally incorporate the Federal exclusions, although nothing in Federal law requires them to do so. Most states, however, permit voluntary election of coverage by employers for excluded workers. Also, most state laws provide that any service taxed by FUTA is covered under state law.

COVERAGE

Many state laws also automatically cover any service that Federal law requires to be covered as a condition of approval of the state's UI law.

EMPLOYERS

As mentioned previously, 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. It 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. Hence, services provided to an employer are covered. As a result, an employer is subject to UI tax liability and its workers accrue rights for UI benefits.

For 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, during any calendar quarter in the current or immediately preceding calendar year, paid wages of $1,500 or more, or to employing units with one or more workers on at least one day in each of 20 weeks during the current or immediately preceding calendar year. About half of the states use this 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
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 8 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 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. 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	$500 in 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 workers 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

Most state laws follow the FUTA definition of agricultural labor. 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.

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.

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. Administrative regulations of the Bureau of Internal Revenue first defined agricultural labor for Federal UI law purposes. All services on a farm in the raising and harvesting of any agricultural produce were excluded from coverage, as were services in some processing and marketing activities if performed for the farmer who raised the crop and as an incident to primary farming operations. 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. The 1976 amendments added the current dollar/employment thresholds that resulted in coverage of services performed on large farms.

States have the option of excluding from coverage service performed in agricultural labor on or after

January 1, 1995, by aliens who are admitted to the United States pursuant to sections 214(c) and 101(a)(15)(H) of the Immigration and Nationality Act. However, these aliens are counted in determining whether an agricultural employer meets the wage or size-of-firm requirements for coverage.

The FUTA established a special rule for determining who will be treated as the employer and, therefore, liable for the FUTA tax, in the case of agricultural workers who are members of a crew furnished by a crew leader to perform services in agricultural labor for a farm operator. 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.

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. As a result, all states cover such domestic service. The following table includes the provisions for states that do not utilize the FUTA provisions.

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
DC	Quarterly payroll at least $500
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	Quarterly payroll at least $500
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	Quarterly payroll at least $500

EMPLOYER-EMPLOYEE RELATIONSHIP

Most state laws contain strict tests to determine whether there is sufficient absence of control by an employer that the worker is not an employee but an independent contractor. Many of the states provide criteria commonly called the "ABC" test under which service for remuneration is considered employment and the worker is an employee unless each of three tests is passed:

- the worker is free from direction or control in the performance of the work under the contract of service and in fact;
- 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
- the individual is customarily engaged in an independent trade, occupation, profession, or business.

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

The IRS uses the 20-factor test to determine whether direction and control exists in an employer/employee relationship and to what degree. A few states use this 20-factor test instead of the ABC test. The 20-factor test is an analytical tool; there is no magic number of factors that must be met or not met. The 20-factor test looks for 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 illustrating whether there is a right to direct or control how the business aspects of a worker's activities are conducted.
- 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 parties.

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 20 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				A and B or A and C	AZ				Service performed by an employee for the entity employing him
CA	X	X	X	Contract of hire, written or oral, express or implied[2]	CO	X		X	
CT	X	X	X		DC				Contract of hire, written or oral, expressed or implied
DE	X	X	X		FL	X	X	X	X[2]
GA	X		X	SS-8 Determination from the IRS	HI	X	X	X	
IA	X			Contract of hire, written or oral, expressed or implied	ID	X		X	

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**
IL	X	X	X		IN	X	X	X	20-factor 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				20-factor test[3]	MN			X	Master-servant[1]
MO				Common law right to control[4]	MS	X			Master-servant[1]
MT				Works under approved independent contractor exemption certificate	NC				Contract creating employee relationship
ND				20-factor 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	
NY				Contract of hire, written or oral, expressed or implied	OH	X			Contract of hire, written or oral, expressed or implied
OK	X	X	X		OR	X		X	
PA	X		X		PR	X	X	X	
RI	X	X	X		SC				Contract of hire, written or oral, expressed or implied
SD	X		X		TN	X	X	X	
TX				Common law	UT	X		X	
VA				20-factor test	VI	X	X	X	
VT	X	X	X		WA	X	X	X	
WI				Statutory factors[5]	WV	X	X	X	
WY	X			X[6]					

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**

[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 20 factor test for taxi-cab and rider referral service providers.
[5] **WI -** direction and control and independent business (i.e. A and C) tests used for governmental and nonprofit entities, loggers, and truckers.
[6] **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 him or her. 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 will be 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.

> *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. UI Program Letter 20-04 was issued to address new concerns, such as telecommuting.

There are 4 tests to determine the state in which service should be reported (hence, the state in which a worker is covered). The tests are applied in the following sequence until a determination is made.

- Are the workers' services localized in any state?
  - Are the services performed entirely in one state; or
  - Are the services performed out of that state incidental (e.g. temporary or transitory) to the services performed in that state?
- If the workers' services are not localized in any state, do the workers perform some service in the state in which their base of operations is located?
- If the workers do not perform any service in the state in which their base of operations is located, do they perform any service in the state from which the services are directed and controlled?

- If the workers do not perform any service in the state from which their services are directed and controlled, do they perform any service in the state in which they live?

Thus, even if a worker's services are not localized in any state, the last three tests listed will help in determining the state in which a worker is covered.

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, residence is required in the state of election in all but Connecticut, Illinois, Indiana, Michigan, Nebraska, Oregon, Pennsylvania, and Wisconsin.

Coverage of Services Performed Outside the United States—Prior to the 1970 amendments to the FUTA, 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. Coverage of such services is not applicable to services performed in a contiguous country with which the United States has an agreement relating to UI (Canada).

In determining the state of coverage, the following four tests are applicable:

- the state in which the employer has the principal place of business;
- the state in which the employer is located;
- the state in which the employer elects coverage; or
- the state in which the individual files a claim.

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. All states but Connecticut, Kentucky, Mississippi, and New York 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 exclusions from employment generally follow the FUTA exclusions. However, the states often exclude other types of employment as well. This section presents a brief discussion of each of the exclusions that occur in all or nearly all of the state laws. Exclusions that occur in only a few states and affect relatively small groups are not included. The following table provides an overview of some of the significant exclusions from the definition of employment used by states.

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			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**, **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.

Service for Relatives—All states exclude service performed for an employer by a spouse or minor child and, with few exceptions, 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' legal 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, 2]	State	Student Nurses and Interns in Employ of a Hospital	Students Working for Schools[1, 2]	State	Student Nurses and Interns in Employ of a Hospital	Students Working for Schools[1, 2]	State	Student Nurses and Interns in Employ of a Hospital	Students Working for Schools[1, 2]
AL	X	X	AK	X	X	AZ	X	X	AR	X	X
CA	X	X	CO		X	CT	X	X	DE		X
DC	X	X	FL	X	X	GA	X	X	HI	X	X
ID	X	X	IL	X	X	IN	X	X	IA		X
KS		X	KY	X	X	LA	X	X	ME	X	X
MD	X	X	MA	X	X	MI		X	MN	X	X
MS	X	X	MO		X	MT		X	NE	X	X
NV		X	NH	X	X	NJ	X	X	NM		X
NY		X	NC		X	ND	X	X	OH	X	X
OK	X	X	OR	X	X	PA	X	X	PR		X
RI		X	SC	X	X	SD	X	X	TN		X
TX	X	X	UT	X	X	VT		X	VA	X	X
VI		X	WA		X	WV		X	WI	X	X
WY		X									

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

Service by Patients for Hospitals—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—An amendment to FUTA, effective with respect to services performed after 1961, permits states to cover Federal instrumentalities that are neither wholly nor partially owned by the United States, nor exempt from the FUTA tax by virtue of any other provision of law that specifically refers to such section of the Internal Revenue Code in granting such exemptions. All states except New Jersey have provisions in their laws that permit the coverage of service performed for non-wholly or partially owned Federal instrumentalities.

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: The 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.

COVERAGE

Voluntary Coverage of Excluded Employment—In all states except Alabama, Massachusetts, and New York employers, with the approval of the state agency, may elect to cover most types of employment that are exempt under their state laws.

Self-Employment—Employment, for purposes of UI coverage, is employment of workers who work for others for wages; it does not include self-employment. Although the protection of the Federal old-age, survivors, and disability insurance program has been extended to most of the self-employed, protection under the UI program is not feasible, largely because of the difficulty of determining whether in a given week a self-employed worker is unemployed.

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 and restrictions on benefits for corporate officers (with the exception of any corporate officers for whom coverage is required). Since FUTA contains no exclusion, when states exclude these services, 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 restrictions for which states have opted.

TABLE 1-7: CORPORATE OFFICERS

State	Provisions
AK	Services are exempt only if the corporation is not a non-profit 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 he/she 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 his/her 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 he/she 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 he or she or a family member has an ownership interest is not "unemployed" and is ineligible for benefits in any week during his/her 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 his/her 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 his/her unemployment was within his/her 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 his/her performance of manual labor, if he/she 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 his/her son, daughter, spouse, or parent owns more than 50% of the proprietary interest in the corporation.

TABLE 1-7: CORPORATE OFFICERS	
State	**Provisions**
MN	An individual who has been paid 4 times his/her 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 he/she 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 he/she 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 percent 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 governments, and Indian tribes must be covered as a condition for approval of state law. These special "required coverage" provisions exist because the services are not taxable under FUTA. Normally, if a state law fails to cover services that are taxed under the FUTA, the employer must pay the full FUTA tax. Since this scheme does not encourage coverage for services not subject to the FUTA tax, Federal law requires services performed for the previously mentioned entities to be covered as a condition of approval and, as a result, a necessary condition for all employers in the state to receive credits against the FUTA tax.

States are required to pay UI benefits based on services performed for governmental entities, nonprofit organizations, 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. They are commonly called "between-and-within-terms denial provisions."

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 governments, and 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 governmental entities.

State law is also required to give governmental entities, nonprofit organizations, 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.

NONPROFIT ORGANIZATIONS—State coverage is required for services performed for religious, charitable, or educational nonprofit organizations. (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.) Although coverage is required only for those organizations employing four or more workers in 20 weeks, a number of states have provisions that cover smaller nonprofit organizations as well. The following table lists the states that have expanded their coverage provisions beyond Federal requirements.

Table 1-8: NONPROFIT ORGANIZATIONS: STATES COVERING ORGANIZATIONS WITH 1 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			

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 any of the following:

- 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.

Since Federal law includes no size-of-firm restrictions for governmental entities as it does for nonprofit organizations, all governmental entities, regardless of size, 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 8 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 provisions 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 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. Coverage is required when service is performed for any tribal or native entity recognized and eligible for Federal assistance by the United States Bureau of Indian Affairs. 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. Thereafter, eligibility for unemployment insurance benefits and the amount of benefits paid are determined under applicable state law. Thus, the claims of Federal civilian employees and ex-servicemembers are subject to the same eligibility and disqualification provisions as those filed by any other individual claiming benefits under that state's UI law.

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;
- if there was subsequent private covered employment in the state in which the covered employment was performed; or
- if employed outside the United States, the state in which the worker resides when filing the claim.

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 administer the UCX program on behalf of the Federal government under agreements with the U.S. Department of Labor (Department). States must follow the Department's guidance in operating the program, including the use of the Federal Schedule of Remuneration, to determine UCX benefit eligibility. The Department issues an updated schedule yearly.

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 qualify for UCX. Some "acceptable narrative reasons" for separation require 365 days of service to be applicable. Narrative reasons 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 Unemployment Insurance Program Letter No. 9-10.

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

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

AMOUNT OF TAX—Under the provisions of the Federal Unemployment Tax Act (FUTA), a Federal 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. The law, however, provides a credit against Federal tax liability of up to 5.4 percent to employers who pay state taxes timely under an approved state UI program. This credit is allowed 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 tax of 0.6 percent or a maximum of $42 per covered worker, per year. The Federal tax is not levied on workers.

Historical Note: Initially, the Federal tax was 1.0 percent (0.1 percent effective tax) of the total wages of a worker. By 1940 it had increased to 3.0 percent (0.3 percent effective tax) on wages up to $3,000. Since then, the rate has increased a number of times, occasionally on a temporary basis. In 1985, the Federal tax reached 6.2 percent (0.8 percent effective tax) on taxable wages. On July 1, 2011, the Federal tax was reduced to 6.0 percent. The taxable wage base increased to $4,200 in 1972, $6,000 in 1978, and $7,000 in 1983.

The credit against the Federal tax may be reduced if the state has an outstanding advance (commonly called a "loan"). When states lack the funds to pay UI benefits, they may obtain advances from the Federal government. To assure 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. Section 3302(c), FUTA, provides for certain limits on this credit reduction. Except for cash flow loans (advances obtained from January through September and repaid by September 30 of the same calendar year), interest is charged on all loans made on or after April 1, 1982. The rate is the lesser of 10 percent or the rate of interest paid on the state reserve balance in the Federal UTF for the last quarter of the preceding calendar year. Interest payments may not be made from the state's unemployment fund.

USE OF FEDERAL REVENUES—The Federal 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 (this program "triggers on" during periods of high and rising unemployment);

- the fund from which an individual state may obtain advances (or "loans") whenever the state's trust fund lacks funds to pay UC; and

- labor exchange services under the Wagner-Peyser Act, employment and training services for veterans and disabled veterans under Chapter 41 of Title 38 of the U.S. Code, and some labor market information program activities.

THE UNEMPLOYMENT TRUST FUND (UTF)—The UTF in the U.S. Treasury consists of 59 accounts.

- Each state (defined as the 50 states, District of Columbia, Puerto Rico, and the Virgin Islands) has an account which consists of the contributions and reimbursements collected by the state; interest earned on these amounts is credited to the state's account. Money is withdrawn from state accounts for 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 under Chapter 41 of Title 38 of the U.S. Code, 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. 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 and military employees.

- Two accounts related to the Railroad Retirement Board.

All Federal payroll taxes are deposited into the ESAA. Amounts equal to one-tenth of net monthly collections are automatically transferred to the EUCA.

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 the Social Security Act (SSA) 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 the EUCA equals 0.5 percent of total wages in covered employment for the preceding calendar year. For the FUA, the statutory ceiling equals 0.5 percent of total wages in covered employment for the calendar year. Excess balances are transferred between these accounts or to the ESAA as required by the SSA. If all three accounts are at their statutory limits, the excess amounts are distributed to the state accounts in the UTF in the same proportion that each state's covered payrolls bear 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 extended unemployment compensation account 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 Federal unemployment account ($550 million) is also effectively obsolete.

With certain exceptions authorized by Federal law, Reed Act moneys may only be used for benefit payments. A state may, through an appropriation of its legislature, use Reed Act moneys under certain

conditions to supplement Federal administration grants in financing its UI program and system of public employment offices.

Most states' UI laws contain permanent provisions regarding the use of moneys transferred under Section 903 of the SSA. These provisions usually mirror the requirements of Federal law pertaining to "traditional" Reed Act distributions, including a provision that the moneys 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 FUND

As mentioned above each state has its own account in the Unemployment Trust Fund (UTF). Each state's unemployment fund is comprised of this account, and two other accounts that are outside of the UTF. These two accounts are the state's clearing account and benefit payment account. When an employer pays its state tax the funds are initially deposited into the clearing account, then the funds are 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 III.

STATE TAXES 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. Federal law requires that nonprofit organizations, state and local governmental entities, and federally recognized Indian tribes be given the option of making "payments in lieu of contributions" (commonly called "reimbursements").

EMPLOYER TAXES—The amount of tax an employer pays depends on the number of its employees, the state's taxable wage base, and the contribution rate assigned the employer.

Since employers wish to receive the maximum credit of 5.4 percent against the Federal payroll tax, state laws provide for assignment of a contribution rate of 5.4 percent or higher. In all states, an employer pays a contribution rate based on its "experience." In all states, new and newly covered employers pay a "new employer rate" until they meet the requirements for experience rating. 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 charged to a general account rather than to an individual employer account. Ineffectively charged benefits include those charged to inactive 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 taxes imposed on the employer's payroll. Although the revenues from these additional taxes are not deposited in the state's unemployment fund, they sometimes serve UI or employment and training purposes.

In every state, an employer who has 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 1 to 6 years; in a few states no limit is specified.

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Technical Note: Federal and state laws provide for a "standard rate" of contributions. At one time, the standard rate for Federal and state law purposes was identical; now this is not always the case. For Federal purposes, a state must have a standard rate of at least 5.4 percent if its employers are to obtain the full credit against the Federal tax. As a result, the Department of Labor accepts a 5.4 percent rate (or in its absence, the highest rate assigned based on experience) as being the standard rate for Federal law purposes. Many state laws use the term standard rate in this sense. Other state laws use the term differently; it may, for example, be the new employer rate.

EMPLOYEE TAXES—Only Alaska, New Jersey, and Pennsylvania levy UI taxes on workers. The tax base is that applicable to employers except in Pennsylvania, where employee contributions are calculated on total gross covered wages paid for employment. Worker taxes are deducted by the employer from the worker's pay and forwarded with the employer's taxes to the state agency. In Alaska, the tax rate is equal to 27 percent of the average benefit cost rate, but not less than 0.5 percent or more than 1.0 percent. In New Jersey, the tax rate is 0.3825 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.

INTEREST AND PENALTY 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 failure to file or delinquency in filing required reports. Many states have set up special administrative funds, made up of such interest and penalties, to meet special needs. 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.

TAXABLE WAGES—Almost all states have adopted a higher tax base than that applicable under FUTA. 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. In addition, most of the states provide an automatic adjustment of the wage base if the FUTA is amended to apply to a higher taxable wage base than that specified under state law.

Some states have established flexible tax bases, i.e., bases that are automatically adjusted, generally on an annual basis. Most of these states key the adjustment to some measure of previous wages.

Table 2-1: TAXABLE WAGE BASES

State	Taxable Wage Base	Wages Include Remuneration Over $7,000 if Subject to FUTA	State	Taxable Wage Base	Wages Include Remuneration Over $7,000 if Subject to FUTA	State	Taxable Wage Base	Wages Include Remuneration Over $7,000 if Subject to FUTA
AL	$8,000	X	AK*	$39,800		AZ	$7,000	X
AR	$12,000	X	CO	$12,500	X	CT	$15,000	X
DE	$18,500	X	DC	$9,000	X	FL	$7,000[1]	X

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Table 2-1: TAXABLE WAGE BASES								
State	**Taxable Wage Base**	**Wages Include Remuneration Over $7,000 if Subject to FUTA**	**State**	**Taxable Wage Base**	**Wages Include Remuneration Over $7,000 if Subject to FUTA**	**State**	**Taxable Wage Base**	**Wages Include Remuneration Over $7,000 if Subject to FUTA**
GA	$9,500	X	HI*	$44,000	X	ID*	$37,800	
IL*	$12,960	X	IN	$9,500	X	IA*	$29,300	X
KS	$14,000	X	KY	$10,200	X	LA*	$7,700	X
ME	$12,000	X	MD	$8,500	X	MA	$15,000	X
MI	$9,000	X	MN*	$32,000		MS	$14,000	X
MO*	$13,000	X	MT *	$31,400	X	NE	$9,000	X
NV*	$29,500	X	NH	$14,000		NJ*	$33,500	X
NM*	$24,300	X	NY	$10,900	X	NC*	$23,100	X
ND *	$35,100	X	OH	$9,000		OK*	$17,700	
OR*	$38,400	X	PA	$9,750	X	RI*	$22,400[2] $23,900	X
SC	$14,000	X	SD	$15,000	X	TN*	$8,000	X
TX	$9,000		UT*	$33,100	X	VT*	$17,300	X
VA	$8,000		VI*	$23,500		WA*	$45,000	
WV*	$12,000	X	WI	$14,000	X	WY *	$25,400	X

NOTE: California and Puerto Rico are not included in this table since 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 any year principal is due on Title XII advances.
[2] 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.

Table 2-2: COMPUTATION OF FLEXIBLE TAXABLE WAGE BASES						
State	**Indexed Taxable Wage Base**					**Variable Taxable Wage Base Based on Trust Fund Balance (5 States)**
	Computed As		**Period of Time Used**			
	% of State Average Annual Wage (14 States)	**Other (5 States)**	**Preceding CY (7 States)**	**12 Months Ending June 30 (6 States)**	**Second Preceding CY (4 States)**	
AK	75 rounded to nearest $100			X		N/A
HI	100 rounded to nearest $100			X		N/A
ID	100 rounded to nearest $100				X	N/A
IL	N/A					X
IA		66⅔% of the state AWW, multiplied by 52, or the Federal taxable wage base; rounded to higher $100	X			N/A
LA	N/A					X
MN	60 rounded to nearest $1,000		X			N/A
MO	N/A					X

Table 2-2: COMPUTATION OF FLEXIBLE TAXABLE WAGE BASES						
State	Indexed Taxable Wage Base					Variable Taxable Wage Base Based on Trust Fund Balance (5 States)
	Computed As		Period of Time Used			
	% of State Average Annual Wage (14 States)	Other (5 States)	Preceding CY (7 States)	12 Months Ending June 30 (6 States)	Second Preceding CY (4 States)	
MT	80 rounded to nearest $100		X			N/A
NV	66⅔ rounded to nearest $100		X			N/A
NJ		28 x state AWW rounded to higher $100			X	N/A
NM	60 rounded to higher $100			X		N/A
NC	50 rounded to nearest $100		X			N/A
ND	70 rounded to nearest $100			X		N/A
OK	40-50 (dependent upon the condition factor in place) rounded to nearest $100				X	N/A
OR	100 rounded to nearest $100				X	N/A
RI	46½ rounded to higher even multiple of $200		X			N/A
TN	N/A					X
UT		75% of the prior average fiscal year wage rounded to the higher $100				N/A
VT	N/A	When trust fund has positive balance, TWB increases by same percentage as the increase in the state's AAW	N/A			N/A
VI	60 rounded to higher $100					N/A
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				N/A
WV	N/A					X
WY	55 rounded to lower $100					N/A

EXPERIENCE RATING

All state laws use a system of experience rating by which individual employers' contribution rates are varied 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 encourage employers to participate in the system by providing eligibility information.

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FEDERAL REQUIREMENTS FOR EXPERIENCE RATING—State experience rating provisions have developed on the basis of the additional credit provisions of Section 3303(a), FUTA. Federal law allows employers additional credit for a lowered rate of contribution if the 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." FUTA allows the states to extend experience rating tax reductions to new and newly covered employers after they have had at least one year of such experience. Further, states allow new and newly covered employers a reduced rate (but not less than 1.0 percent) on a reasonable basis.

STATE REQUIREMENTS FOR EXPERIENCE RATING—In most states, 3 years of experience with unemployment means more than 3 years of coverage and contribution experience. Factors affecting the time required to become a "qualified" employer include:

- coverage provisions of the state law ("at any time" vs. "20 weeks");
- 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. Most of the 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—Within the broad Federal requirements, the experience rating provisions of state laws vary greatly. The most significant variations grow out of differences in the formulas used for rate determinations. 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.

All systems have certain common characteristics. All formulas are devised to establish the relative experience of individual employers with unemployment or with benefit costs. To this end, 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, 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 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[1]	State	Years of Benefits and Contributions Used	Years of Payrolls Used[1]
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[2]
CA	All past years	Average of 3 years, ending 6 months before computation date	CO	All past years	Average 3 years
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	Last year
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	Last 3 years	Last 3 years	WV	All past years	Average 3 years
WI	All past years	Last year			

[1] Years immediately preceding or ending on computation date, unless noted.
[2] Experience rated employers may elect to be rated on the basis of total taxable wages paid during the preceding CY.

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 his 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 5 years	Last 5 years	MN	Last 4 years	Last 4 years
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 years; if 4 years not available, will use up to 1 year minimum	Last 4 years; if 4 years not available, will use up to 1 year minimum	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 formula is radically different. The formula is designed to assess variable rates, which will raise the equivalent of the total amount paid out as benefits. The percentage relationship between total benefit payments and total benefit wages in the state during 3 years is determined. This ratio, 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 employers' 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. The range of the rates is, however, limited by a minimum and maximum. The minimum and the rounding upward of some rates tend to increase the amount that would be raised if the plan were effected without the table; the maximum, however, decreases the income from employers who would otherwise have paid higher rates.

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

PAYROLL VARIATION PLAN—The payroll variation plan is independent of benefit payments to individual workers; neither benefits nor any benefit derivatives are used to measure unemployment. 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.

Alaska measures the stability of payrolls from quarter to quarter over a 3-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

Since various methods are used to identify the employer(s) who will be charged with benefits when a worker becomes unemployed and receives benefits, the laws address this issue in some detail. 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 the payroll-decline systems.

In most states, the maximum amount of benefits to be charged is the maximum amount for which any worker is eligible under the state law.

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 on the theory that this employer has primary responsibility for the unemployment. All of the states that charge benefits to the last employer relieve the employer of these charges if only casual or short-time employment is involved. Charging the most recent base-period employer assumes that liability for benefits is inherent in wage payments.

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

State	Employer Specified	State	Employer Specified
GA	Most recent	ID	Employer who paid largest amount of BPW; charges omitted if worker continues to perform services for the employer
IL	Most recent; 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; charges omitted for employers who employed individual less than 10 weeks
ME	Most recent; charges omitted for employers who employed individual less than 6 weeks	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; charges omitted for employers who paid individual less than 12 consecutive weeks; benefits paid following disqualifications for voluntary leaving, 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
RI	Most recent BP employer	SC	Most recent; charges omitted for employers who employed individual less than 8 x WBA
VA	Most recent; 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 that liability for benefits results from wage payments with the theory of employer responsibility for unemployment; responsibility for the unemployment is assumed to lessen with time, and the more remote the employment from the period of compensable unemployment, the less the probability of an employer being charged. 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 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 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	⅓ wages up to ⅓ of 26 x current WBA	IA	In proportion to BPW
MA	36% of BPW	NE	⅓ 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. (Note that states combining this method with charging the most recent employer are listed on the "Charging Most Recent or Principal Employer" table.)

Table 2-8: STATES THAT CHARGE IN PROPORTION TO BASE-PERIOD WAGES			
State	**Special Provisions**	**State**	**Special Provisions**
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
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

Table 2-8: STATES THAT CHARGE IN PROPORTION TO BASE-PERIOD WAGES			
State	**Special Provisions**	**State**	**Special Provisions**
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

Many states do not charge individual employers for benefit costs under certain limited circumstances. These "noncharging" provisions are found in practically all state experience rating laws. In the states that charge benefits, certain benefits are omitted from charging as indicated in the following information; in the states that charge benefit wages, certain wages are not counted as benefit wages.

The postponement of charges until a certain amount of benefits has been paid results in noncharging of benefits for workers whose unemployment is very short in duration. In many states, charges are omitted when benefits are paid on the basis of an early determination in an appealed case and the determination is eventually reversed. In many states, charges are omitted in the case of benefits paid under a combined wage claim. In some states with dependents' allowances, those payments are not charged to employers' accounts.

Another type of noncharging is for benefits paid following a period of disqualification for a voluntary quit, misconduct, a refusal of suitable work, or for benefits paid following a separation for which no disqualification was imposed; e.g., because the worker had good personal cause for leaving voluntarily, or because of a job that lasted throughout the normal disqualification period and then was laid off for lack of work. The intent is to relieve the employer of charges for unemployment caused by circumstances beyond the employer's control. The provisions differ with variations in the employer to be charged and with the disqualification provisions, particularly with respect to the cancellation and reduction of benefit rights. In this summary, no attempt is made to distinguish between noncharging following a period of disqualification and noncharging where no disqualification is imposed. Most states provide for noncharging where voluntary leaving or discharge for misconduct is involved and, in some states, refusal of suitable work. A few of these states limit noncharging to cases where a worker refuses reemployment in suitable work.

The following table provides information on which benefits are excluded from charging in the states. Alaska, a payroll variation state, is excluded because benefit charges are not a factor in determining experience rates.

Table 2-9: BENEFITS EXCLUDED FROM CHARGING							
State	**Federal-State Extended Benefits**	**Benefit Award Finally Reversed**	**Reimbursements on Combined Wage Claims[1]**	**Voluntary Leaving**	**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

Table 2-9: BENEFITS EXCLUDED FROM CHARGING							
State	**Federal-State Extended Benefits**	**Benefit Award Finally Reversed**	**Reimbursements on Combined Wage Claims[1]**	**Voluntary Leaving**	**Discharge for Misconduct**	**Refusal of Suitable Work**	**Continues to Work for Employer on Same Part-Time Basis**
AZ		X	X	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[2]	X		X
AR	X			X	X		X
CA		X		Limited to quit to take other job, quit to accompany spouse, and irresistible impulse to use intoxicants[2]	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	X		X
FL		X		X	X	Limited to refusal of reemployment	
GA		X	X	X, includes quit to follow military spouse or to accept a better job	X	Limited to refusal of reemployment in suitable work	
HI	X		X	X	X		X
ID	X	X	X	X	X		
IL		X	X	X, including quit to accept another job, or to accompany a spouse who has been reassigned by the military[2]	X	X	X
IN			X	X	X		X
IA	X	X	X	X	X	X	
KS	X			X	X		X
KY			X	X	X		

Table 2-9: BENEFITS EXCLUDED FROM CHARGING							
State	**Federal-State Extended Benefits**	**Benefit Award Finally Reversed**	**Reimbursements on Combined Wage Claims[1]**	**Voluntary Leaving**	**Discharge for Misconduct**	**Refusal of Suitable Work**	**Continues to Work for Employer on Same Part-Time Basis**
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	Limited to refusal of reemployment in suitable work	X
MD		X		X, including quit without good cause attributable to work, to accept a better job, or to enter approved training[2]	Only for gross and aggravated misconduct		X
MA		X		X[2]	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		
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, 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

Table 2-9: BENEFITS EXCLUDED FROM CHARGING							
State	**Federal-State Extended Benefits**	**Benefit Award Finally Reversed**	**Reimbursements on Combined Wage Claims[1]**	**Voluntary Leaving**	**Discharge for Misconduct**	**Refusal of Suitable Work**	**Continues to Work for Employer on Same Part-Time Basis**
NJ		X		X, including BY employer if worker left that job by a disqualifying separation[2]	X, including BY employer if worker left that job by a disqualifying separation[2]	X, including BY employer if separation due to failure to accept suitable work without good cause	
NM	X	X		X, including quit to accompany military spouse or to take other employment[2]	X[2]		
NY	X			X	X		X
NC		X		X, including quit to accompany military spouse or to take other employment	X		X
ND		X		X, including quit directly attributable to sexual assault[2]	X		
OH		X	X	X, including quit from interim or part-time job to protect full-time job	X	X, only if due to participation in approved training	X
OK		X		X, including quit due to compelling family circumstances[2]	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]	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]	Separation due to violation of law leading to jail time	Refusal of rehire due to participation in approved training	
VI							
WA	X	X		X[2]	X		X

Table 2-9: BENEFITS EXCLUDED FROM CHARGING							
State	Federal-State Extended Benefits	Benefit Award Finally Reversed	Reimbursements on Combined Wage Claims[1]	Voluntary Leaving	Discharge for Misconduct	Refusal of Suitable Work	Continues to Work for Employer on Same Part-Time Basis
WV		X		X, including quit to relocate with military spouse	X		
WI		X		X, including quit due to illness, disability, or to accompany spouse[2, 6]			
WY	X	X		X, including quit to follow military spouse[2]	X		X

[1] 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.

Four states (Arkansas, Colorado, Maine, and North Carolina) have special provisions or regulations for identifying the employer to be charged in the case of benefits paid to seasonal workers. 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. In Maine, the individual must also have seasonal base-period wages for the seasonal employer to be charged benefits during the season.

Several states noncharge benefits for reasons other than those listed in Table 2-9, or in addition to those reasons listed in Table 2-9. For example, some states noncharge benefits paid to individuals who:

- were unable to work due to a disaster;
- quit for personal reasons such as lack of adequate child care, to relocate with a military spouse, or to care for a sick or disabled family member;
- were in training with the approval of the UI agency;
- were laid off when a permanent employee who was called to military duty returned and claimed his/her job; or
- were laid off when the employer was called to active military duty.

Federal law prohibits states from relieving an employer of benefit charges if the employer's (or its agent's) failure to respond timely and adequately has resulted in an inappropriate payment and if the employer (or agent) has established a pattern of failing to respond for information. However, states are permitted to 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.

FINANCING

TAXES PAYABLE TO UNEMPLOYMENT FUND

The requirements for rate assignments vary greatly among the states. Each state law incorporates at least the Federal requirements for assigning reduced rates. Many states require that all necessary contribution reports must have been filed and all contributions due must have been paid.

Taxes 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 formula used (that is, the 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 state 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. The following states use array systems: Alaska, Idaho, Iowa, Kansas, Maine, Montana, Nebraska, North Dakota, Oregon, South Carolina, and Vermont.

MINIMUM AND MAXIMUM RATES—Tax rates depend on the state's fund balance and other factors in state law. In most states, low balances trigger schedules with higher rates and higher 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 that information, the appropriate state UI agency should be contacted.

In some states, state law establishes an overall contribution rate that is the sum of various components (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.

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	0.59%	6.74%
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]	Based on reserve ratio	0.1%	6.0%	Based on reserve ratio	0.1%	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%

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
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	0.0%	The greater of 6.4% or the product of 6.4% and the adjusted state experience factor	Dependent upon the adjusted state experience factor	0.0%	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	Dependent upon fund control schedule	0.0%	7.1%	Dependent upon fund control schedule	1.8%	9.2%
KY	>1.18% of payrolls	0.0%	9.0%	<$150 million	1.0%	10.0%
LA	>$1.4 billion	0.072%	5.4%	<$750 million	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	0.30%	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%
MN	≥0.75% of payrolls	0.1%	9.0%	<0.55% of payrolls	0.4%	9.3%
MS	Depends on statutory variables that comprise the general experience rate	0.2%	5.4%	Depends on statutory variables that comprise the general experience rate	0.2%	5.4%
MO[3]	>$750 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%	5.5%	<$250 million	0.1%	8.5%
NJ	≥3.5% of taxable wages	0.1825%	5.4%	≤ 0.99% of taxable wages	1.1825%	7.5825%
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 payrolls	0.06%	5.76%	<1.0% of payrolls	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%	8.55%	Law authorizes agency to set rates	0.0%	8.55%

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
PR	>$589 million	1.0%	5.4%	<$370 million	2.5%	5.4%
RI	≥6.4% of payrolls	0.6%	7.0%	<2.75% of payrolls	1.9%	10.0%
SC	Based on benefit ratio	0.0%	≥5.4%	Based on benefit ratio	0.0%	≥5.4%
SD	Based on reserve ratio	0.0%	9.5%	Based on reserve ratio	0.0%	9.5%
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 ≥120%	0.0%	5.4%	Fund balance factor is ≤50%	0.1%	6.2%
VI	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%	8.5%	<1.75% of gross covered wages	1.5%	8.5%
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 to be deposited into the Unemployment Trust Fund.

[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%.

LIMITATION ON RATE INCREASES—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. In Oklahoma, for employers with rates of 3.4 percent or more, the limitation on the rate increase is 2.0 percent in any year. For employers with rates below 3.4 percent, their rate may not be increased to more than 5.4 percent in any year.

ADJUSTMENTS—The previous table does not include taxes that are treated by state law as distinctly separate from the employer's contribution rate.

These adjustments may be in the form of a direct modification of the employer's tax rate (for example, by adding 0.1 percent to, or subtracting 0.1 percent from, the employer's tax rate) or by taking these costs into account when calculating the employer's experience rate (for example, charging a prorated portion of socialized costs to the employer's account in a reserve-ratio state). Reimbursing employers are exempted from solvency adjustments since they already reimburse the state's unemployment fund for 100 percent of their benefit costs. The following table provides an overview of states that treat the adjustments separately. 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

Table 2-11: SURCHARGES, SURTAXES, AND ADJUSTMENTS			
State	**Name**	**Amount**	**Purpose**
AK	Solvency Adjustment Surcharge[1]	-0.4% - 1.1%	Solvency
AR	Extended Benefit Tax	When in effect, 0.1%	Extended Benefits
	Stabilization Tax[2]	-0.1% - 0.8%	Solvency
CO	Solvency Surcharge	Varies	Solvency
CT	Fund Balance Tax Rate	Up to 1.4%	Solvency
DE	Supplemental Assessment Rate	0.2%	Solvency
IL	Fund Building Factor	0.4% - 0.55%	Solvency
IN	Unemployment Insurance Surcharge	Varies	Solvency
LA	Social Charge Tax	Varies[3]	Social Cost
	Solvency Tax	Up to 30% of contributions due	Solvency
MA	Secondary Adjustment	When in effect, from 0.3% - 0.9%	Solvency
MI	Account Building Component	0.0% - 3.0%	Solvency
	Nonchargeable Benefit Component	0.0% - 1.0%	Social Cost
MN	Additional Assessment Rate	0.0% - 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	Varies: 0.10% decrease - 0.10% increase	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 33⅓%	Solvency
PA	Solvency Measures[1]	Surcharge adjustment of 5.1% and additional contributions of 0.65%	Solvency
SD	Adjustment Percentage	When in effect, 0.1% - 1.5%[4]	Solvency
TX	Replenishment Rate	Varies	Social Cost
	Deficit Assessment	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	When in effect, 0.2%	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	0.0% - 1.3%	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 in the Training Trust Fund and Unemployment Insurance Administrative Fund.
[3] The social charge rate is calculated to the nearest 0.01% and may not raise an employer's total rate above 6.2%.
[4] The adjustment percentage may not raise the contribution rate above 12%.

COMPUTATION, FUND TRIGGER, EFFECTIVE DATES, AND NEW EMPLOYERS—The computation date is the end of the period used to determine the employer's experience. For example, a benefit-ratio state may compute an employer's experience rate using the benefits paid in the 3 years immediately preceding the computation date. If a new or newly-covered employer has accrued sufficient experience as required under state law as of the computation date, the employer will henceforth be assigned a rate based on 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 rates. To conform to Federal law, all states assign employers with 3 years of experience a rate based on 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 percent. Typically, states assign either a flat rate to all new employers or a rate based on the new employer's industry type. In some states, these two methods are combined. Most new employers receive a flat rate, while some high-cost industries, such as construction, receive the higher industry rate. 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[2]
AL	June 30	Sept. 30	Jan. 1	1	2.7%
AK	June 30	Sept. 30	Jan. 1	1[1]	Average industry rate
AZ	July 1	July 31	Jan. 1	1	2.0%
AR	June 30	June 30	Jan. 1	3	2.9%[3]
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	2.64%
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% - 3.36% based upon fund balance calculation
IL	June 30	June 30	Jan. 1	3[1]	2.9% multipled 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	1.0% - 3.0% based upon the rate schedule in effect; 7.0% - 9.0% for construction
KS	June 30	June 30	Jan. 1	2	2.7%; construction employers receive 6.0%
KY	July 31	Sept. 30	Jan. 1	3	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

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[2]**
ME	June 30	Sept. 30	Jan. 1	2	Greater of predetermined yield or 1%
MD	July 1	Sept. 30	Jan. 1	2	2.6%; foreign contractors assigned average industry rate
MA	Sept. 30	Sept. 30	Jan. 1	1	1.87%; construction employers receive 6.27%
MI	June 30	June 30	Jan. 1	2[4]	2.7%; construction employers receive average industry rate
MN	June 30	March 31	Jan. 1	1	Higher of 1.0% 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	1.0% - 1.2% depending on years of liability
MO	June 30	Oct. 1[5]	Jan. 1	1	Greater of 3.51% or rate assigned to employer's industrial classification; 1.30% for nonprofit
MT	Sept. 30	Oct. 31	Jan. 1	3	Ranges from 1.7% - 4.10% based on average industry rate
NE	Dec. 31	May 31[5]	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[5]	July 1	1	1.7%
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	1.0%
ND	Sept. 30	Sept. 30	Jan. 1	3	Higher of 90% of the positive employer maximum rate or 1.0% for positive balance non-construction employers, a rate within the negative tax rate table for negative balance non-construction employers; maximum rate in negative tax rate table 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[6]	Jan. 1	1	1.5%
OR	June 30	Aug. 31	Jan. 1	1	2.0% - 3.3% based on the tax schedule in effect
PA	June 30	June 30	Jan. 1	1½[1]	3.6785%; construction employers pay 10.1947%
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 1.0% 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

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[2]**
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[5]	July 1	3	2.7%, except average industry rate when industry reserve ratio is 0.0% or less
TX	Oct. 1[7]	Oct. 1	Jan. 1[7]	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	Lower of average industry rate or rate class eleven, but not less than 1%[8]
VA	June 30	June 30	Jan. 1	1	2.5%
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
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 -** coverage.
[2] When rate varies, it must be no less than 1%.
[3] 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.
[4] An employer's rate will not include a nonchargeable benefits component for the first 4 years of subjectivity.
[5] **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.
[6] In some circumstances, the trust fund trigger date can be July 1.
[7] For newly qualified employers, computation date is end of quarter in which employer meets experience requirements and effective date is immediately following quarter.
[8] 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.

RATE REDUCTION THROUGH VOLUNTARY CONTRIBUTIONS—In about half of the states employers may obtain lower rates by making voluntary contributions by an established deadline. In reserve ratio states, a voluntary contribution increases the balance in the employer's reserve so that a lower rate is assigned that will save more than the amount of the voluntary contribution. In benefit-ratio 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[1]**	**Additional Information[2]**
AZ	On or before January 31	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

Table 2-13: STATES PERMITTING RATE REDUCTION THROUGH VOLUNTARY CONTRIBUTIONS		
State	**Due Date[1]**	**Additional Information[2]**
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 not have any unpaid 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 tax 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
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 tax rate increased at least 12 rate classes from prior tax rate year
WV	Within 30 days of mailing of rate notice	No additional information

Table 2-13: STATES PERMITTING RATE REDUCTION THROUGH VOLUNTARY CONTRIBUTIONS		
State	**Due Date[1]**	**Additional Information[2]**
WI	By November 30	Can only lower one rate unless catastrophic event; not available for 5 years for certain employer's whose benefit charges exceed their contributions

[1] Federal law requires that voluntary contributions be made "prior to the expiration of 120 days after the beginning of the rate year" (Section 3303(d), FUTA). This column contains additional state limitations for the voluntary contribution to affect the applicable rate year.
[2] Since Federal law limits refunds to erroneous payments, if a voluntary contribution does not lead to a reduced rate or if an employer changes its mind, no refund can be made.

TRANSFER OF EMPLOYERS' EXPERIENCE

Because of Federal experience rating requirements states must maintain a record of the employer's experience with the factors used to measure unemployment. Without such a record, there would be no basis for a rate determination. For this reason, 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. 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; in these states, 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.

To address concerns regarding employers who avoid liability for UI benefits charged to their accounts through the manipulation of payrolls, Congress enacted the SUTA Dumping Prevention Act of 2004 ("SUTA" refers to state unemployment tax acts). This Act required state UI laws to provide 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 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. The rate assignments vary with the status of the successor employer prior to the acquisition of the predecessor's business. Most states provide that an employer who has a rate based on experience with unemployment shall continue to pay that rate for the remainder of the rate year; the others provide that a new rate be assigned based on the employer's own record combined with the acquired record. In all other situations, it is left to the states to determine the circumstances under which experience may be transferred.

The following table provides information on state UI law provisions regarding transfers of experience when there is no common ownership, management, or control.

Table 2-14: TRANSFER OF EXPERIENCE FOR EMPLOYER RATES							
State	**Total Transfers**		**Partial Transfers**		**Enterprise Must Be Continued**	**Rate for Successor Who Was an Employer Prior to Acquisition for Remainder of Rate Year**	
	Mandatory	**Optional**	**Mandatory**	**Optional**		**Previous Rate**	**Experience Combined**
AL	X			X			X
AK	X					X	

Table 2-14: TRANSFER OF EXPERIENCE FOR EMPLOYER RATES

State	Total Transfers		Partial Transfers		Enterprise Must Be Continued	Rate for Successor Who Was an Employer Prior to Acquisition for Remainder of Rate Year	
	Mandatory	Optional	Mandatory	Optional		Previous Rate	Experience Combined
AZ	X			X	X	X	
AR	X			X	X	X	
CA		X		X	X		X
CO	X			X	X	X	
CT	By agency interpretation		By agency interpretation			By agency interpretation	
DE	Only if there is substantial continuity of ownership and management		Only if there is substantial continuity of ownership and management		X		X
DC[1]	X				X	X	
FL		X		X	X		X
GA	X		If predecessor and successor were owned or controlled by same interest	X	X		X
HI		X				X	
ID	Only if predecessor had a deficit as of last computation date and management or ownership is substantially the same[2]		X[2]	Only if predecessor had a deficit as of last computation date and management or ownership is substantially the same	X		X
IL	X			X		X	
IN	X			X		X	
IA	X		X		X		X
KS	X			X	X	X	
KY	X		X			X	
LA	X		X			X	
ME[3]	X					X	X
MD	X			Limited to firms formerly located in another state	X	X	X
MA	X				X	X	
MI	X			X		X	
MN	X		X				X
MS	X			X	X	X	
MO	X		Limited to acquisitions of all or substantially all of business		X		X

Table 2-14: TRANSFER OF EXPERIENCE FOR EMPLOYER RATES							
State	Total Transfers		Partial Transfers		Enterprise Must Be Continued	Rate for Successor Who Was an Employer Prior to Acquisition for Remainder of Rate Year	
	Mandatory	Optional	Mandatory	Optional		Previous Rate	Experience Combined
MT	X[4]		X[4]				X
NE	X		X				X
NV		X		X			X
NH	X			X	X	X	
NJ	X		If predecessor and successor were owned or controlled by same interest	If predecessor and successor were not owned or controlled by same interest	X	Limited to total transfers only	
NM	X			X	X	X	
NY	X		X		X		X
NC[5]	X			X		X	
ND[1]		X		X		X	
OH	X		If predecessor and successor were owned or controlled by same interest	If predecessor and successor were not owned or controlled by same interest	X	X	
OK	X			X	X		X
OR	X		X		X	X[5]	X[5]
PA	Except as noted in next column	If predecessor and successor were not owned or controlled by same interest	Except as noted in next column	If predecessor and successor were not owned or controlled by same interest	X	X	
PR	X					X	
RI	X[6]		X[6]			X	
SC	X[7]		X[7]	X	X		X
SD	Except as noted in next column	If ownership of both entities is not substantially the same				X	
TN	X		X		X	X	
TX	X			X	X	X	
UT	X		X				X
VI	X		X			X	
VT	X				X		X
VA	X		X			X	
WA	X		X				X
WV	X		Limited to acquisitions of substantially all of a business			X	

Table 2-14: TRANSFER OF EXPERIENCE FOR EMPLOYER RATES							
State	Total Transfers		Partial Transfers		Enterprise Must Be Continued	Rate for Successor Who Was an Employer Prior to Acquisition for Remainder of Rate Year	
	Mandatory	Optional	Mandatory	Optional		Previous Rate	Experience Combined
WI	X		X[4]	Limited to acquisition of at least 25% of a business	X[8]	X	
WY	X						X

[1] **DC -** if total wages allocable to transferred property are less than 25% of predecessor's total; **ND -** transfer may be denied if good cause shown that transfer would be inequitable.
[2] If management, ownership, or control is substantially the same for the successor as for the predecessor and there is continuity of the business activity by the successor.
[3] Any business purchased free and clear of liens through bankruptcy will receive the state average contribution rate, if contribution rate for the predecessor business is greater than the state average; otherwise, the successor business assumes the predecessor's experience; existing employer may blend predecessor rate with established rate or retain the successor rate, whichever is lower.
[4] Except if ownership, management, or control of both entities is not substantially the same, in which case the transfer is optional.
[5] The rate is dependent upon the date of transfer.
[6] No transfer when assets of predecessor are acquired in a sale in bankruptcy, unless successor employing unit shares common ownership with predecessor.
[7] If the predecessor's experience rated account has a debit balance and when there is an acquisition or change in the form or organization of an existing business enterprise, or severable portion thereof, and there is continuity of control of the business enterprise.
[8] Or successor must employ substantially the same workers.

ADDITIONAL TAXES

This section discusses various payroll taxes that are not deposited in the state's unemployment fund. In general, it is limited to those taxes where state law contains a current taxing authority; taxes that by statute could be assessed only for a temporary period in the past are not included. Reserve funds where the taxing authority has expired are, however, listed when the reserve fund continues to exist. As will be noted from the following tables, not all states have additional taxes and not all of these apply to all employers.

LOAN AND NTEREST REPAYMENT TAXES— Some states have the authority to float bonds to pay benefit costs, thereby avoiding the need to obtain Federal loans. In these states, special taxes may be assessed to pay off the bond as well as any costs associated with the bond. Since interest must be paid on Federal advances and since interest may not be paid from the state's unemployment fund, several states have established special taxes to pay the costs of this interest.

Table 2-15: STATES WITH LOAN AND INTEREST REPAYMENT TAXES				
State	Tax	Amount[1]	When Payable	Specific Purposes
AL	Additional rate	Rate determined based on amount due[2]	By May 15th 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[2]	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 % 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[2]	When interest is due on Federal advances	Pay interest on Federal advances
DE	Temporary emergency assessment	Rate determined based on amount due[2]	When interest is due on Federal advances	Pay interest on Federal advances

Table 2-15: STATES WITH LOAN AND INTEREST REPAYMENT TAXES

State	Tax	Amount[1]	When Payable	Specific Purposes
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[2]	When interest is due on Federal advances	Pay interest on Federal advances
IA	Temporary emergency surcharge	Rate determined based on amount due[2]	When interest is due on Federal advances	Pay interest on Federal advances
LA	Bond repayment assessment	1.4% on $15,000 wage base[2]	When bonds are outstanding	Pay bonds issued to pay Federal advances and bond costs
ME	Special assessment	Rate determined based on amount due[2]	When interest is due on Federal advances	Pay interest on Federal advances
MI	Obligation assessment	Rate determined based on amount due[2]	When bonds are outstanding	Pay bonds issued to pay Federal advances and bond costs
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[2]	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[2]	When interest is due on Federal advances	Pay interest on Federal advances
	Special bond contributions	Rate determined based on amount due[2]	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[2]	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[2]	When interest is due on Federal advances	Pay bond obligations and interest on Federal advances
PA	Advance interest tax	Capped at 1.1%[2]	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[2]	When interest is due on Federal advances	Pay interest on Federal advances
TX	Unemployment obligation assessment	Based on amount due[2]	When bonds or loans are outstanding	Pay interest and cost of bonds
WA	Interest payment tax	Not to exceed 0.15%[2]	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] Percentage figures include percent of taxable payroll, unless otherwise indicated.

[2] **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; **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. In some states, it is not clear whether the tax applies only to contributory employers; and **TN -** excludes employers with no benefit charges for 2 years and no negative balance for the same 2 years.

RESERVE TAXES—These taxes are deposited in a reserve fund established under state law. The principal in the reserve fund is used for UI purposes (such as paying benefits or interest on Federal advances). Any interest earned on the reserve fund is deposited in another fund where it is used for other purposes, such as job training and paying the collection costs of the reserve tax. Unlike employer contributions, which are held in the Federal Unemployment Trust Fund until needed to pay benefits, these reserve fund moneys are not protected by the Federal withdrawal standard, which restricts the use of contributions to the payment of benefits and other specified purposes. This means that state legislatures may, if the state constitution allows, redirect the reserve fund's principal to other uses. Even if the taxing authority has expired, reserve taxes are listed in the following table when the reserve fund continues in existence.

Table 2-16: STATES WITH RESERVE TAXES: PRINCIPAL USED FOR UI PURPOSES, INTEREST USED FOR UI OR NON-UI PURPOSES

State	Surtax	Amount[1]	When Payable	Purpose
ID	Reserve	Taxable wage rate less the assigned contribution rate and training tax rate	If as of September 30th 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 in 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 1st 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[2]	Pay UI; interest accrued is deposited into the Jobs Training and Support Fund
NC	Reserve Fund	20% of contributions due	Except if as of August 1st 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] Percentage figures include percent of taxable payroll, unless otherwise indicated.
[2] 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—States also collect a variety of taxes established for administrative purposes. These purposes may be UI administration, job training, employment service administration, or special improvements in technology. These taxes are not deposited in the state's unemployment fund, but in another fund designated by state law. Since 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. Expired taxes are not listed. In some states, certain contributions to the state's unemployment fund are reduced when other taxes or assessments are in effect.

Table 2-17: STATES WITH TAXES FOR UI ADMINISTRATION OR NON-UI PURPOSES

State	Tax Name	Amount[1]	When Payable	Purpose
AL	Employment Security Administrative Enhancement Assessment	0.06%[2]	Quarterly	Job search/placement
AK	State Training and Employment Program	0.1%[3]	Each year	Development of skilled workforce
	Technical and Vocational Education Program	0.15% [2, 3]	Each year	Vocational and technical training
AZ	Job Training Tax	0.1%	Quarterly	Job training
AR	Stabilization Tax[4]	0.025% of taxable wages collected	Through June 30, 2019	Training
		0.025% of taxable wages collected	Through June 30, 2019	Administration

Table 2-17: STATES WITH TAXES FOR UI ADMINISTRATION OR NON-UI PURPOSES				
State	**Tax Name**	**Amount[1]**	**When Payable**	**Purpose**
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
GA	Administrative Assessment	0.06%[2]	Quarterly	Employment services and administration
HI	Employment and Training Fund Assessment	0.01%[2]	Quarterly	Employment services and training
ID	Training Tax	3.0% of taxable wage rate	Excludes deficit employers from rate class 6; expires January 1, 2018.	Training
KY	Additional Contribution	0.3%	When insufficient Federal funds are made 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]	Quarterly	Training and related administrative costs
MA	Unemployment Health Insurance Contribution	0.36%	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%[2]	Quarterly	Dislocated worker training
MS	Workforce Enhancement Contributions	0.15% of taxable wages[2, 8]	Quarterly, suspended if IUR >5.5% until IUR <4.5%	Training to enhance productivity
		0.04% of taxable wages[2, 8]	Quarterly, suspended if IUR >5.5% until IUR <4.5%	Mississippi Works
		0.01% of taxable wages[2, 8]	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)[9]	Quarterly	Administration
NV	Employment and Training	0.05%[2]	Quarterly	Employment and training of the unemployed
NH	Administrative Contribution	0.2%	Quarterly	Administration and training
NJ	Medical Malpractice Liability Insurance Premium Assistance Fund	$3 per employee	Each year	Medical malpractice liability insurance premium assistance
	Supplemental Workforce Fund for Basic Skills	0.0175%	Quarterly	Remedial education
	Surcharge for Catastrophic Illness in Children	$1 per employee	Each year	Catastrophic Illness in Children Relief Fund
	Workforce Development Partnership Tax	0.1% - Employer rate 0.025% - Employee rate	Quarterly	Customized training grants to employers and unions for incumbent workers, individual 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

Table 2-17: STATES WITH TAXES FOR UI ADMINISTRATION OR NON-UI PURPOSES				
State	**Tax Name**	**Amount[1]**	**When Payable**	**Purpose**
OR	Administration Tax	0.09%[2]	Quarterly	Employment Department administration
	Wage Security	0.03%[2]	1st quarter of every odd-numbered year	Pays last payroll checks of bankrupt employers
PR	Special Tax	1.0%[2]	Quarterly	Employment, training, and administration
RI	Job Development Assessment	0.21% of taxable wages[2]	Quarterly	Administration, job development, core and employment services
SC	Administrative Contingency Assessment	0.06%[2]	Quarterly	Job placement for individuals
SD	Investment SD Future Fee	0 - 0.53% rated employers; 0.05% new employers[2]	Quarterly	Research and economic development
TX	Employment Training Investment Assessment	0.1%	Quarterly	Job training
WA	Employment Assistance Tax	0.02%[2]	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/ineffectively charged adjustment factor[2]	Quarterly	Workforce development program, administration

[1] Percentage figures include percent of taxable payroll unless otherwise indicated.
[2] **AL**, **AK**, **AR**, **HI**, **MN**, **RI**, **SD**, **WA**, and **WY** - exclude reimbursing employers; **AL** - excludes new employers, excludes reimbursing employers, and excludes employers paying at least 5.4%; **GA** - excludes reimbursing employers and employers who are assigned the minimum positive reserve rate or maximum deficit reserve rate; **HI** - excludes 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%.
[3] Taken from employee portion of unemployment tax.
[4] Portion of Stabilization Tax listed in table 2-11.
[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] Only collected when trust fund is above specified level.
[9] Governmental contributory employers pay 0.09% and reimbursable employers pay 0.08%.

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

THE REIMBURSEMENT OPTION—As discussed in the Coverage chapter, amendments made to FUTA in 1970, 1976, and 2000 require coverage of most services performed for certain nonprofit organizations, state and local governments, 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. Prior to these amendments, states were not permitted to allow nonprofit organizations or Indian tribes to finance their employees' benefits on a reimbursable basis because of the experience-rating requirements of Federal law.

Most state laws provide that reimbursing employers will be billed at the end of each calendar quarter, or other period determined by the agency, for the benefits paid during that period attributable to service in their employ. A second method, mostly limited to nonprofit organizations, bills the nonprofit at the end of each calendar quarter, or other time period specified by the agency, at a flat rate based on a percentage of the organization's total payroll in the preceding calendar year. This method appears to be less burdensome because it spreads benefit costs more uniformly throughout the calendar year. Alabama and North Carolina mandate this

second method for nonprofits, while 17 states[1] permit a nonprofit the option of choosing either method, subject to the approval of the state agency. Arkansas is the only state to extend this method beyond nonprofits. By law the State of Arkansas is required to use the first method, while nonprofit organizations and political subdivisions that choose reimbursement must use the second method.

Although states may noncharge benefits to reimbursing employers, 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. Only one state that noncharges benefits to reimbursing employers has developed a system for having such employers bear the costs of such noncharges. In Mississippi, political subdivisions reimbursing the fund may elect to pay 0.25 percent of taxable wages as a condition of having benefits noncharged under the same conditions as contributory employers.

Some state laws permit two or more reimbursing employers jointly to apply 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 reimbursement and benefit cost allocation.

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

- The state law may designate the state as a whole as a governmental entity and choose for it the 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 Indian tribes, the Federal experience-rating requirements do not apply to state governments and their political subdivisions.)
- A governmental entity may be liable for the full amount of extended benefits paid based on service in its employ. The Federal government does not share these costs because governmental entities do not pay the FUTA tax that pays the Federal share. (This extended benefit rule applies to Indian tribes as well.)

The following table indicates how states treat governmental entities.

Table 2-18: FINANCING PROVISIONS FOR GOVERNMENTAL ENTITIES

State	State's Method Required by Law	Options in Addition to Reimbursement		State	State's Method Required by Law	Options 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	Contribution[1]	X		HI		X	
ID		X		IL[2]	Reimbursement	X	
IN		X		IA		X	X

[1] AK, CA, DC, ID, MD, ND, OH, PR, SC, SD, TN, UT, VT, VA, VI, WA, and WV.

FINANCING

Table 2-18: FINANCING PROVISIONS FOR GOVERNMENTAL ENTITIES							
State	State's Method Required by Law	Options in Addition to Reimbursement		State	State's Method Required by Law	Options in Addition to Reimbursement	
		Regular Contributions	Special Schedule			Regular Contributions	Special Schedule
KS		X	X	KY		X	
LA		X		ME	Contribution[1]		
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[3]	Reimbursement	X		VA		X	
VI		X		WA	Reimbursement	X	X
WV		X		WI	Reimbursement	X	
WY		X					

[1] **GA** and **ME -** governmental entities can elect direct reimbursement.
[2] 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.
[3] State institutions of higher education have an option of contributions or reimbursement; all other state agencies must reimburse.

California has three separate plans for governmental entities. The state is limited to contributions or reimbursement. Schools 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 similar experience-rating system applicable to 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 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, governmental entities that elect contributions pay at 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 regular contribution rate system.

New Mexico permits political subdivisions to participate in a "local public body unemployment compensation reserve fund" managed by the risk management division. This special fund reimburses the state unemployment fund for benefits paid based on service with the participating political subdivision. The employer contributes to the special fund the amount of benefits paid attributable to service in its employ plus an additional unspecified amount to establish a pool and to pay administrative costs of the special fund.

North Dakota political subdivisions contribute to a special fund managed by the Office of Management and Budget. This fund reimburses the state's unemployment fund for benefits paid based on service with the participating political subdivision.

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 compensation fund for benefits paid based on service with 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 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, counties, cities, and towns may elect regular reimbursement or the "local government tax." Other political subdivisions may elect either reimbursement or regular contributions. Rates are determined yearly for each employer under a reserve-ratio formula. The following minimum and maximum rates have been established: 0.2 percent and 3.0 percent. No employer's rate may increase by more than 1.0 percent in any year. At the discretion of the Commissioner, an emergency excess tax of not more than 1.0 percent may be imposed whenever benefit payments would jeopardize reasonable reserves. New employers pay at a rate of 1.25 percent for the first two years of participation.

BONDING REQUIREMENTS—Since reimbursing employers pay the unemployment fund after benefits have been paid, Federal law expressly authorizes states to establish bond 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 bond or other deposit requirements. (Please note that this table does not necessarily reflect state law pertaining to treatment of Indian tribes.)

Table 2-19: STATES THAT REQUIRE BOND OR DEPOSIT OF EMPLOYERS ELECTING REIMBURSEMENT

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 x 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

Table 2-19: STATES THAT REQUIRE BOND OR DEPOSIT OF EMPLOYERS ELECTING REIMBURSEMENT			
State	Provision is:		Amount
	Mandatory	Optional	
HI	X		0.2% of total payrolls
ID		X	Determined on basis of potential benefit cost
IA	X		2.7% of taxable payrolls (provision currently inoperative)
KS		X	5.4% of taxable payrolls
KY		X[3]	2.0% of total payrolls
ME	X	X	By regulation; not to be less than 2.0% nor more than 5.0% of taxable wages
MD	X		2.7% of taxable wages if the organization has taxable wages less than 25 x the taxable wage base, or 5.4% of taxable wages if the organization's taxable wages equal or exceed 25 x the taxable wage base
MA		X	Percent of taxable payrolls not to exceed the maximum contribution rate in effect
MI	X[4]		4.0% of estimated annual payroll
MS		X	1.35% of taxable payrolls for nonprofit organizations and 2.0% of taxable payrolls for governmental entities
NC	X		Non-profits must keep 1.0% 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 x the organization's taxable wages
OH	X		3.0% of taxable payrolls but not more than $2,000,000
OR	X		2.0% of total wages for the 4 CQs immediately preceding effective date of election to reimbursable status
PA	X		1.0% 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 tax rate x organization's taxable payroll
TX		X	Higher of 5.0% 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
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		4.0% 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 deals with the monetary requirements of state UI laws, including work history, benefit amounts, and the length of time during which an individual may receive UC.

Although the states have developed many different ways to determine monetary entitlement to UC, there are also many similarities. This chapter discusses the following:

- wages and employment needed in a "base period" to qualify;
- period during which UC may be collected, commonly called the "benefit year";
- amount payable for a week of total or partial unemployment;
- dependents' allowances;
- waiting periods; and
- maximum amount of regular UC an individual may receive in a benefit year.

Note: Information regarding deductible income provisions is located in the nonmonetary eligibility chapter.

While most individuals are employed in the state in which they reside, many individuals regularly commute to a different state to work, work in more than one state, or move to a different state to look for new work when they become unemployed. The law of the state under which the individual claims benefits applies as it would for any other individual. Determinations on eligibility, disqualifications, and the amount and duration of benefits are made by the state in which the wages were paid. However, the process by which these individuals apply for benefits may vary. (For example, the Interstate Benefit Payment Plan provides a method of filing for benefits in the state in which an individual has qualifying wages even though the individual is not physically present in that state.)

Although this chapter analyzes monetary factors separately, the relationship among these factors is complex. In comparing state laws, consideration often needs to be given to these relationships.

MONETARY ENTITLEMENT

BASE PERIOD AND BENEFIT YEAR

An individual's benefit rights are determined using wages and employment during a period of time called the base period. Benefits may be paid during a period of time called the benefit year. Individuals who exhaust their benefits before the end of a benefit year must wait until a new benefit year is established before they can again draw benefits.

BENEFIT YEARS—The benefit year is a 1-year or 52-week period during which an individual may receive benefits based on a previous period of employment. In all states, the beginning date of the benefit year depends on when an individual first files a "valid claim," meaning the individual meets minimal wage and employment requirements. In most states, the benefit year begins with the week in which the valid claim is filed. Exceptions are:

TABLE 3-1: 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 53 weeks beginning with the effective date of a valid claim.

BASE PERIODS—The base period is the time 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 4 of the last 5 completed calendar quarters preceding the filing of the claim as their base period. 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.

Because base-period employment and/or earnings are an imperfect proxy for labor market attachment, there are instances when individuals with labor market attachment are ineligible for benefits. To address this, some states developed expanded definitions of the base period.

Alternative Base Periods (ABP)—A base period consisting of the first 4 of the last 5 completed calendar quarters results in a lag of up to 6 months between the end of the base period and the date an individual becomes unemployed/files a claim. As a result, the individual's most recent work history is not used when making an eligibility determination. For individuals failing to qualify under the regular base period, many states use an ABP. For example, if the individual fails to qualify using wages and employment in the first 4 of the last 5 completed calendar quarters, the state will use wages and employment in the last 4 completed calendar quarters.

Extended Base Periods (EBP)—Several states allow individuals who have no wages in the current base period to use older wages and employment under certain conditions. These conditions typically involve illness or injury. For example, an individual who was injured on the job and who has collected workers' compensation benefits may use wages and employment preceding the date of the individual's injury to establish eligibility. (Note that some state laws may describe these base periods as "alternative" base periods.)

The following table outlines the options states use in addition to the standard base period.

TABLE 3-2: STATES WITH ALTERNATIVE AND/OR EXTENDED BASE PERIODS			
State	**ABP/EBP**	**State**	**ABP/EBP**
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

TABLE 3-2: STATES WITH ALTERNATIVE AND/OR EXTENDED BASE PERIODS

State	ABP/EBP	State	ABP/EBP
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 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	IL	APB: Last 4 completed quarters 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
KS	ABP: Last 4 completed quarters EBP: Last 4 completed quarters preceding the date of qualifying injury	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
ME	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	MD	ABP: Last 4 completed quarters
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 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	MI	ABP: Last 4 completed quarters if individual fails to meet qualifying wage requirements
MN	ABP: First 4 of last 5 completed quarters[1] EBP: Up to 4 quarters depending on length of time an individual received compensation for temporary disability under a workers' compensation law	MT	ABP: Last 4 completed quarters 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 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	OH	ABP: Last 4 completed quarters

TABLE 3-2: STATES WITH ALTERNATIVE AND/OR EXTENDED BASE PERIODS

State	ABP/EBP	State	ABP/EBP
OK	ABP: Last 4 completed quarters EBP: 4 quarters prior to regular base period	OR	ABP: Last 4 completed quarters 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 EBP: Individual who received workers' compensation and has requested reinstatement to a previous position that no longer exists is eligible to have base period determined as of the date of the work-related injury	SC	ABP: Last 4 completed quarters
SD	ABP: Last 4 completed quarters 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	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
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[2]	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		

GENERAL NOTE: Information about various base periods used in **MA** and **MN** is located in paragraphs preceding this table.

[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.

[2] To be eligible under ABP, must have total BPW of at least $2,200 and wages in at least 2 quarters.

QUALIFYING WAGES OR EMPLOYMENT

All states require an individual to have earned a certain amount of wages or to have worked for a certain period of time (or both) within the base period to be monetarily eligible to receive any benefits. Most individuals qualify for benefits based on employment and wages in a single state. However, some individuals who work in more than one state will not have sufficient employment and wages in any single state to establish monetary eligibility, or would be eligible for a lower weekly benefit amount. In these situations, individuals may file a claim in one of the states where they worked, and elect to combine the employment and wages earned in one or more of the other states in which they had employment and wages to establish eligibility or to increase the weekly benefit amount. The "paying state" for a combined wage claim combines all base-period employment and wages earned under its law with employment and wages transferred from other states to determine the individual's monetary eligibility under its law. For example, if the individual has earned wages in

multiple states, the individual may elect to file a combined wage claim using either state's law. 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 combined wage claim in that second "paying" state cannot be used again to establish monetary eligibility. The methods that states use to determine monetary eligibility vary greatly, as described in the following text.

METHODS OF QUALIFYING

Multiple of High-Quarter Wages—Under this method, individuals must earn a certain dollar amount in the quarter with the highest earnings of their base period. Individuals must also 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. States require earnings in more than one quarter to minimize the likelihood that individuals with high earnings in only one quarter receive benefits.

Multiple of Weekly Benefit Amount—Under this method, the state first computes the individual's weekly benefit amount. The individual must have earned an amount equal to or greater than a specified multiple of the weekly benefit amount during the base period. For example, if an individual's weekly benefit amount is $100, in a state requiring earnings equal to 40 times the weekly benefit amount, the individual will need base-period earnings of $4,000. Most states also require wages in at least two quarters. Some states have weighted schedules that require varying multiples for varying weekly benefits.

Flat Qualifying Amount—States using this method require a certain dollar amount of total wages to be earned during the base period. This method is often used by states with an annual wage requirement for determining the weekly benefit and by some states with a high-quarter-wage/weekly benefit requirement.

Weeks/Hours of Employment—Under this method, the individual must have worked a certain number of weeks/hours at a certain weekly/hourly wage.

The following table provides information on the qualifying formulas used by the states, and the minimum wages needed to qualify for benefits in each state. The amounts displayed assume level wage earnings throughout the claimant's base period.

TABLE 3-3: 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	N/A	$2,500
AZ	1½ x HQW in BP and 390 x minimum wage in effect ($3,900) in one quarter; alternative flat-amount requirement - wages in 2 quarters of BP, wages in 1 quarter sufficient to qualify for the maximum WBA, and total BPW ≥ the taxable wage base ($7,000)	$3,900	$5,850
AR	35 x WBA in BP and wages in 2 quarters of BP	N/A	$2,835
CA	$1,300 in HQ; alternatively $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; if insufficient BPW, but (36 x WBA) - BPW ≤ $180, eligible for reduced WBA	N/A	$720
DC	$1,300 in one quarter, $1,950 in 2 quarters, and 1½ x HQW in BP or within $70 of meeting the 1½ HQW in BP requirement	$1,300	$1,950 in 2 HQs
FL	1½ x HQW in BP; minimum of $3,400 in BP	$2,267	$3,400
GA	1½ x HQW in BP; alternatively 1/21 HQW for WBA with 40 x WBA in BP and wages in 2 quarters	$924	$1,760 in 2 HQs

TABLE 3-3: 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 HQW; minimum HQW, determined on January 1, must equal 50% of state minimum wage multiplied by 520 hours (rounded to the next lower multiple of the weekly benefit multiplier)	$1,872	$2,340
IL	$1,600 flat amount and $440 outside HQ	N/A	$1,600
IN	1½ x HQW in BP, not less than $4,200 in BP, and wages totaling at least $2,500 in last 2 quarters of BP	N/A	$4,200
IA	1¼ x HQW in BP (HQW must equal 3.5% of the statewide AAW) and ½ HQW in another quarter	$1,540	$2,310
KS	30 x WBA in BP and wages in 2 quarters	$2,777	$3,540
KY	1½ x HQW in BP, 8 x WBA in last 2 quarters of BP, $750 outside HQW	$2,154	$3,230
LA	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	$1,579 in each of 2 Qtrs	>$4,737
MD	Wages in 2 quarters equal 1½ x $1,200 (established by schedule in law) and >$1,176 in HQ; alternate eligibility for a lower WBA can be established if BP wages meet a specified amount on the wage schedule	>$1176	$1800
MA	30 x WBA in BP and $3,900 minimum in BP	N/A	$3,900
MI	1½ x HQW in BP and wages in 1 quarter equal to $3,453; alternatively BPW equal to 20 times the state AWW and wages in 2 quarters	$3,453	>$5,180
MN	5.3 percent of state AAW rounded to the lower $100	N/A	$2,800
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; alternatively 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; alternatively total BPW ≥ 50% of AAW	$1,834	$2,751
NE	$4,108 in BP, $1,850 in HQ, $800 in another quarter	$1,850	$4,108
NV	1½ x HQW in BP and $400 in HQ; alternatively 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 base weeks (base week is 20% of state AWW); alternatively 1,000 times the state minimum hourly wage ($8,400)	N/A	$3,360
NM	Wages in 2 quarters	$1,920	$1,921
NY	1½ x HQW in BP; HQW equal to 221 x state minimum wage, rounded to the next lower $100 increment	$2,100	$3,150
NC	6 x AWW in BP and wages in last 2 quarters	N/A	$1,560 in last 2 Qtrs
ND	1½ x HQW in BP	N/A	$2,795 in 2½ Qtrs
OH	20 weeks employment with wages in each week of at least 27.5% of the state AWW in BP and wages in 2 quarters	N/A	$4,940
OK	1½ x HQW in BP and $1,500 in BP; alternatively flat-amount requirement ≥ $18,700 in BP (100% state taxable wage base)	N/A	$1,500
OR	1½ x HQW in BP and $1,000 in BP; alternatively flat-amount requirement 500 hours of employment in BP	$667	$1,000
PA	18 credit weeks and at least 37% BPW outside of HQ	$1,688	$2,718
PR	40 x WBA in BP and wages in 2 quarters; 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	$75	$280

MONETARY ENTITLEMENT

TABLE 3-3: BASE PERIOD WAGE AND EMPLOYMENT REQUIREMENTS FOR BENEFITS			
State	Qualifying Formula: Wages or Employment	Minimum Wages Needed to Qualify:	
		High Quarter	Base Period
RI	1½ x HQW in BP and 200 x minimum hourly wage in 1 quarter and BP wages at least 400 x the minimum hourly wage; alternatively $1200 x minimum hourly wage in BP	$1,920	$3,840
SC	1½ x HQW in BP and $1,092 HQW and $4,455 BPW	$1,092	$4,455
SD	$728 in HQ and 20 x WBA outside HQ	$728	$1,288
TN	40 x WBA in BP and lesser of 6 x WBA or $900 outside HQ	>$780 in each of 2 Qtrs	>$1,560 in 2 HQs
TX	37 x WBA in BP and wages in 2 quarters	$1,638	$2,442
UT	1½ x HQW in BP (BPW must be 8% of state average fiscal year wages in BP, rounded to the higher $100)	$2,400	$3,600
VT	1.4 x HQW in BP (HQW will be adjusted by a percentage increase equal to the percentage increase in the state minimum wage for the prior year)	$2,501	$3,502
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; alternatively flat-amount requirement $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 with 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)	$850	$3,450
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.			

QUALIFYING FOR A SECOND BENEFIT YEAR

Since the standard base period established by states' laws results in a significant lag between the end of the base period and the establishment of a benefit year, an individual could conceivably use lag-period wages and employment to qualify for 2 consecutive benefit years during one long unemployment spell (after benefits are exhausted and the first benefit year ended). As a result, all states require individuals to earn wages after the beginning of the first benefit year. In many states, the amount an individual must earn is a multiple (from 3 to 10) of the weekly benefit amount. A few states require an individual to earn wages sufficient to meet the minimum qualifying requirement. In addition, some states specify that the wages needed to requalify must be earned in covered employment.

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	Other	Wages Must Be in Insured Work	State	Subsequent to Beginning of Preceding Benefit Year	Subsequent to Date of Last Valid Claim	Other	Wages Must Be in Insured Work
AL	8			X	AK	8			
AZ	8				AR	8			X
CA			Equivalent qualifying wages as in preceding BY		CO	$2,000			
CT	5 or $300, whichever is greater			X	DE		10		X

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	Other	Wages Must Be in Insured Work	State	Subsequent to Beginning of Preceding Benefit Year	Subsequent to Date of Last Valid Claim	Other	Wages Must Be in Insured Work
DC	10				FL	3			
GA	10			X	HI	5			X
ID	6; wages must be in bona fide work				IL	3			
IN	8			X	IA	$250			X
KS	8			X	KY	5			
LA	6; 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; 10 x WBA in non-covered work		X
MT	6; or 3/13th of HQW, whichever is less			X	NE			Wages in insured work at least 6 x WBA	X
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; for at least one 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.

MONETARY ENTITLEMENT

WEEKLY BENEFIT AMOUNT

After determining if an individual has sufficient wages and/or employment to qualify for benefits, it is necessary to determine the weekly benefit amount, that is, the amount payable for a week of total unemployment. As previously mentioned, UI is intended to provide partial wage replacement. For this reason, all individuals do not receive the same benefit amount. Some states replace approximately 50% of individuals' lost wages up to a certain limit (usually the average weekly wage in the state). As a result, states tend to replace a higher percentage of low-wage individuals' income than they do for high-wage individuals. Several states provide dependents' allowances. All states round weekly benefits to an even dollar amount.

States determine eligibility for benefits on the basis of the calendar week (generally, Sunday through the following Saturday). In many states, the claim week is adjusted to coincide with the employer's payroll week when an individual files a benefit claim for partial unemployment.

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—Slightly more than half of the states determine the weekly benefit amount by using the quarter in the base period with the most wages. This quarter is viewed as the period most nearly reflecting full-time work for the individual. By dividing this amount by 13 (the number of weeks in a calendar quarter) the average weekly wage is calculated. Based on the percentage of the weekly wage the state intends to replace, the weekly wage is 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 ½ of the average weekly earnings, the weekly benefit amount is $100. To simplify the calculations, states determine the "overall" multiple of the high-quarter wages to determine the weekly benefit amount. In the previous example, it would be 1/26 (1/13 times ½). The most common multiple used by states is 1/26. Other states that use high-quarter wages calculate the benefit as a percentage of high-quarter wages.

Since even the quarter of highest earnings may include some unemployment, some states use a fraction generating a higher weekly benefit (e.g., 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. In these states, the maximum fraction varies from 1/11 to 1/26 while the minimum varies from 1/23 to 1/33.

Multi-Quarter Method—Several states compute the weekly benefit amount as a multiple of the total or average quarterly wages paid in more than one quarter. This approach is viewed as being more likely to reflect an individual's usual full-time employment pattern since it surveys a greater period of time rather than just focusing on the quarter with highest earnings.

Annual-Wage Method—Under this method 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. Most states use a weighted schedule, which gives a larger proportion of annual wages to lower-paid individuals to determine their weekly benefit amount.

Weekly-Wage Formula—Under this method 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, what the minimum and maximum weekly benefit amounts are in each state, and the wages required to be eligible for the weekly benefit amounts. The amounts displayed assume level wage earnings throughout the claimant's base period.

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	$265	N/A	$13,754 in 2 quarters
AK	**AW** 0.9% - 2.2% BP wages + DA (see table in law)	Nearest $	$56 - $128	$370 - $442	N/A	$42,000
AZ	**HQ** 1/25	Nearest $	$126	$240	$5,988	$8,982
AR	**MQ** 1/26 of average in 4 quarters	Lower $	$81	$451	N/A	$46,904
CA	**HQ** 1/23-1/26 (if HQW < $1,833, see table in law; otherwise, 1/26 HQW)	Higher $	$40	$450	>$11,674	>$11,674
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	$516 (low formula)	$11,180 (low formula)	$22,360 in 2 quarters (low formula)
				$568 (high formula)	N/A (high formula)	$59,072 (high formula)
CT	**MQ/HQ** 1/26 of the average of the 2HQs + DA; for construction workers, 1/26 of HQW + DA	Lower $	$15 - $30	$616 - $691	$16,016 in each of 2 quarters	$24,640
DE	**MQ** 1/46 of wages earned in highest 2 quarters	Lower $	$20	$330	N/A	$15,180 in 2 quarters
DC	**HQ** 1/26	Lower $	$50	$425	$11,050	$16,575
FL	**HQ** 1/26	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 - $44, the claimant's WBA is $44.)	Lower $	$44	$330	N/A	$13,860 in 2 quarters
HI	**HQ** 1/21	Higher $	$5	$592	$12,412	$15,392
ID	**HQ** 1/26	Lower $	$72	$410	$10,660	$13,325
IL	**MQ** 47% of the claimant's wages in highest 2 quarters divided by 26 + DA	Higher $	$51 - $77	$449 - $613	N/A	$24,791 in 2 quarters
IN	**WW** 47% of AWW	Lower $	$37	$390	N/A	$43,149
IA	**HQ** 1/19 (4 or more dependents) - 1/23 (no dependents)	Lower $	$66 - $81	$447 - $548	$10,281	$12,852
KS	**HQ** 4.25%	Lower $	$118	$474	$11,153	$14,220
KY	**AW** 1.1923% BPW	Nearest $	$39	$415	N/A	$34,765
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 $	$10	$221 to $284	N/A	$22,100 to $28,400
ME	**MQ** 1/22 of the average of the 2 HQs + DA (see table in law)	Lower $	$71 - $106	$410 - $615	N/A	$18,040 in 2 quarters
MD	**HQ** 1/24 + DA (see table in law)	Higher $	$50 - $90	$430 same with or without DA	>$10,296	$15,480

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
MA	**MQ** 50% of 1/26 of total wages in 2 HQs up to 57.5% of state AWW	Lower $	$37 - $55	$742 - $1,103	N/A	$38,584 in 2 high quarters
MI	**HQ** 4.1% + DA	Lower $	$141 - $171	$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 $	$26	$440 (based on HQW)	$11,440 (based on HQW)	$11,440 (based on HQW)
				$683 (based on BPW)	N/A (based on BPW)	$71,032 (based on BPW)
MS	**HQ** 1/26	Lower $	$30	$235	$6,110	$9,400
MO	**MQ** 4.0% of the average of the 2 HQs	Lower $	$35	$320	N/A	$16,000 in 2 quarters
MT	**AW/MQ** 1.0% of BPW or 1.9% of wages in the 2 HQs	Lower $	$151	$510	N/A	$26,843 in 2 quarters
NE	**WW** ½ of AWW, may not exceed ½ of state AWW	Lower even $	$70	$392	$10,192	$10,992
NV	**HQ** 1/25	Lower $	$16	$426	$10,650	$15,975
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 $	$100 - $115	$677 same with or without DA	N/A	$22,567 in 20 weeks
NM	**WW** 53½% of AWW in HQ + DA; wages in 2 quarters of BP	Lower $	$79 - $119	$425 - $475	$10,328	$10,329
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 $	$100	$430	$11,180	$16,770
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 ½ of total wages in third highest quarter)	Lower $	$43	$630	N/A	$40,950 In 2.5 quarters
OH	**WW** 50% (wages in qualified weeks in BP / number of such weeks) + DA	Lower $	$123	$443 - $598	N/A	$17,720 in 20 weeks
OK	**HQ** 1/23	Lower $	$16	$510	$11,730	$17,595
OR	**AW** 1.25% BP wages	Lower $	$138	$590	N/A	$47,200
PA	**HQ** (4% HQW + 2) x 0.98 + DA (see table in law)	Lower $	$68 - $76	$561 - $569	$14,263	$22,679
PR	**HQ** 1/11 - 1/26	Lower $	$7	$133	>$3,442	$5,320
RI	**MQ** 3.85% of average of 2 highest quarter wages + DA	Lower $	$49 - $99	$566 - $707	N/A	$29,404 2 quarters
SC	**WW** 50% AWW in HQ	Lower $	$42	$326	$8,476	$12,714

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
SD	**HQ** 1/26	Lower $	$28	$380	$9,880	$17,480
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	Nearest $	$66	$493	$12,313	$18,223
UT	**HQ** 1/26 minus $5	Lower $	$29	$524	$13,619	$20,429
VT	**MQ** Wages in the 2 highest quarters divided by 45	Lower $	$77	$458	N/A	$20,610 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	Lower $	$33	$480	$12,480	$18,720
WA	**MQ** 3.85% of average of 2 HQs	Lower $	$162	$681	N/A	$35,377 in 2 quarters
WV	**AW** 55% of 1/52 of median wages in individual's wage class (see table in law)	Lower $	$24	$424	N/A	$40,150
WI	**HQ** 4.0%	Lower $	$54	$370	$9,250	$12,950
WY	**HQ** 4.0%	Lower $	$33	$489	$12,225	$17,115

KEY: HQ = High Quarter Formula MQ = Multi-Quarter Formula AW = Annual Wage Formula WW = Average Weekly Wage Formula DA = Dependents' Allowances

GENERAL NOTE: Since 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 3-3.) 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.

[2] Depending upon the procedure in place in a given year, different benefit multipliers are utilized. As a result, the MWBA varies from year to year and similarly the amount of BPWs necessary to receive the MWBA fluctuates.

AUTOMATIC ADJUSTMENTS TO WEEKLY BENEFIT AMOUNTS

In those states where UI is intended to replace a specific percent of wages up to a fixed percent of the state's average weekly wage, the calculation of benefit entitlement is determined by the state's average weekly wage. Because wages increase, states recalculate the average weekly wage periodically to update the benefits schedule and continue to replace the desired percentage of an individual's lost wages. The maximum weekly benefit amount is usually more than 50 percent of the average weekly wage in covered employment within the state during a recent 1-year period. In most states, the minimum weekly benefit is an amount specified in the law. However, some states' 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

State	Method of Computation					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:				
	Preceding 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
CT			X			60%; based on AWW of production and related workers (may not be increased by more than $18 in any year)		1st 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%		1st 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%		1st 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
NV	X					50%		July 1
NJ	X					56⅔%		January 1
NM			X			53½%	10%	1st Sunday in January
NC	X					66⅔%		August 1

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

State	Method of Computation					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:				
	Preceding 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	
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		1st Sunday in July
OH			X			Percentage used is not specified in law		1st 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		July 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		1st Sunday in July
VI			X			65%		January 1
WA	X					63%	15%	1st Sunday in July
WV	X					66⅔%		July 1
WY	X					55%	4%	1st Sunday in July

[1] State AWW computed using 36-month period.

WAITING PERIOD

Individuals who are otherwise eligible for benefits must first serve a waiting period in most states. 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. (When an individual, after intervening employment, has an additional spell of unemployment that continues beyond the end of the first benefit year, the individual may not have to serve another waiting week if he is monetarily eligible for benefits in the second year.)

TABLE 3-7: STATE INITIAL WAITING PERIODS			
State	**Duration (in weeks)[1]**	**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[3]		
CT	No waiting period		
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	No waiting period		
NH	1		
NJ	No waiting period		
NM	1		Natural disaster, extended benefit program

TABLE 3-7: STATE INITIAL WAITING PERIODS			
State	**Duration (in weeks)[1]**	**Becomes Compensable After:**	**May Be Waived Under These Circumstances**
NY	1		At the direction of the Governor
NC	1		
ND	1		
OH	1		
OK	1		
OR	1		
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	
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 his employer terminating operations, closing its business, or declaring bankruptcy without paying the final wages earned as required by Section 40.1-29 of the Code of Virginia 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

Often, instead of being laid off, individuals may have their hours reduced during an economic downturn. Unemployed individuals may also find short-term work while looking for a permanent, full-time job. These circumstances characterize partial unemployment. The UI system is set up to permit benefit receipt by these individuals as long as they meet all eligibility requirements. However, the weekly benefit amount payable differs.

A week of total unemployment is commonly defined as a week in which the individual performs no work and with respect to which remuneration is not payable. In Puerto Rico, an individual is deemed totally unemployed if earnings from self-employment are less than 1½ times the weekly benefit amount or if no service is performed for a working period of 32 hours or more in a week. In a few states, an individual is considered

totally unemployed in a week even though certain small amounts of wages are earned. In most states, an individual is partially unemployed in a week of less than full-time work and earnings of less than the weekly benefit amount. In some states, an individual is partially unemployed in a week of less than full-time work when less than the weekly benefit amount plus an allowance is earned, either from odd-job earnings or from any source as indicated in the following table.

The individual's benefit will generally equal the difference between the weekly benefit amount and earnings. All states disregard some earnings as an incentive to take part-time or short-term work.

When determining monetary entitlement to benefits, the state usually specifies a maximum dollar amount that can be received, usually equal to a specified number of weeks of benefits for total unemployment multiplied by the weekly benefit amount for total unemployment. Consequently, a partially unemployed individual may draw benefits for a greater number of weeks than a totally unemployed individual.

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, in a state with a $30 earnings disregard and rounding to the nearest dollar, an individual with a $40 weekly benefit amount and earnings of $50.95 would receive a partial benefit of $19.

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	⅓ WBA	AK	1⅓ x WBA + $50	$50 and ¼ wages over $50
AZ	WBA	$30	AR	WBA + 2/5 WBA	2/5 WBA
CA	WBA	Greater of $25 or ¼ of wages	CO	WBA	¼ WBA
CT	1½ + basic WBA	⅓ wages; includes holiday pay in the remuneration for determining partial benefits	DE	WBA + greater of $10 or ½ WBA	Greater of $10 or ½ WBA
DC	WBA + $20	⅓ of wages + $50	FL	WBA	8 x Federal hourly minimum wage
GA	WBA	$50; excludes payments for jury service	HI	WBA	$150
ID	1½ WBA	½WBA	IL	WBA	½ WBA
IN	WBA	Greater of $3 or 1/5 WBA from other than base-period employers; excludes payments for jury service	IA	WBA + $15	¼ WBA; excludes payments for jury service
KS	WBA	¼ WBA	KY	1¼ x WBA	1/5 wages
LA	WBA	Lesser of ½ WBA or $50	ME	WBA + $5	$25; excludes wages received by members of the National Guard and organized labor, including base pay and allowances or any amounts received as a volunteer emergency medical services worker; also excludes earnings received as a result of participating in full-time Trade Act training, up to an amount equal to most recent WBA

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
MD	Augmented WBA	$50	MA	WBA	⅓ WBA; earnings plus WBA may not equal or exceed the individual's AWW
MI	1 3/5 x WBA	For each $1 earned, WBA reduced by 50 cents (benefits and earnings cannot exceed 1 3/5 WBA); earnings above 1 3/5 WBA result in dollar-for-dollar reduction in WBA; if the resulting WBA is zero, weeks of benefits payable reduced by 1 week; excludes wages for on-call or training services as a volunteer firefighter if wages are < $10,000	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 1/5 WBA, whichever is greater	$20 or 1/5 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	¼ wages	NH	WBA	3/10 WBA
NJ	WBA + greater of $5 or 1/5 WBA	Greater of $5 or 1/5 WBA	NM	WBA	1/5 WBA; excludes payments for jury service
NY	Benefits paid at the rate of ¼ WBA for each effective day within a week beginning on Monday (effective day defined as 4th and each subsequent day of total unemployment in a week in which claimant earns not more than $300)		NC	Week of less than 3 customary scheduled full-time days	1/5 WBA
ND	WBA	3/5 WBA	OH	WBA	1/5 WBA
OK	WBA + $100	$100	OR	WBA	⅓ WBA; or 10 x state minimum wage in the prior year; excludes wages from service in the organized militia for training or authorized duty from benefit computation
PA	WBA + 2/5 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	1/5 WBA	SC	WBA	¼ WBA
SD	WBA	¼ wages over $25	TN	WBA	Greater of $50 or ¼ WBA
TX	WBA + greater of $5 or ¼ WBA	Greater of $5 or ¼ WBA	UT	WBA	3/10 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

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**
VI	1⅓ x WBA + $15	¼ wages in excess of $15	WA	1⅓ 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 size of the payment a claimant receives each week, some states' laws provide for a dependents' allowance above and beyond the basic benefit amount payable. 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, or living with 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, children are not the only dependents recognized, that is, spouses, parents, or siblings may also be included in the definition. The following table outlines the states that have dependents' allowances and their definition of a dependent.

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

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		
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
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—As with the definition of dependents, there is much variation among states concerning the amount of weekly dependents' allowance payable. However, there are some commonalities. For example, the allowance is ordinarily a fixed sum. In addition, all states have a limit on the total amount of dependents' allowance payable in any week in terms of dollar amount, number of dependents, percentage of basic benefits, of high-quarter wages, or of average weekly wage. This limitation

results in reductions, for some individuals, in the actual allowance per dependent or the maximum number of dependents on whose behalf allowances may be paid. In almost all states the number of dependents is fixed for the benefit year when the monetary determination on the claim is made. Likewise, in virtually all states, only one parent may draw allowances if both are receiving benefits simultaneously. Individuals who are eligible for partial benefits may draw dependents' allowances in addition to their basic benefits in most of the states providing for these allowances. They receive the full allowance for a week of partial unemployment. Consequently, the allowance for dependents may be greater than the basic benefit for partial unemployment. Alaska and Connecticut permit dependents' allowances to be adjusted during the benefit year if an individual acquires additional dependents.

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 - $165		$26	$165
IA	$4 - $15	Schedule $4 - $101	$15	$101
ME	$10	½ WBA	$35	$205
MD	$8	$40	$40	same maximum WBA with or without dependents
MA	$25	½ WBA	$18	$361
MI	$6	$30	$30	same maximum WBA with or without dependents
NJ	7% of WBA for 1st dependent and 4% for each of the next 2 dependents		$15	same maximum WBA with or without dependents
NM	$25	½ WBA up to $50	$40	$50
OH	$1 - $155	Determined by schedule according to the dependency class	$0	$155
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	$141

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)).

DURATION OF BENEFITS

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. Duration – how long benefits may be collected – is determined by dividing the maximum benefit amount payable by the individual's weekly benefit amount. The maximum weeks of benefits available vary, but are most frequently 26 weeks. A few states' laws establish uniform durations of 26 weeks for all individuals who meet the qualifying wage requirements, whereas the rest of the states have variable durations. Uniform duration states are not necessarily "more generous" than the other states because many of these states have comparatively high minimum wage 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.

In variable duration states, duration is derived. First, the state determines the limit on total benefits

receivable in a benefit year (the maximum entitlement). In most of these states, an individual's benefits are limited to a fraction or percent of base-period wages if it produces an amount less than the specified multiple (usually 26-30) of the individual's weekly benefit amount. The rest of the variable duration states – states using a weekly wage method – set maximum potential benefits as a fraction of weeks worked during the base period. Once the state calculates the maximum entitlement, it divides that amount by the weekly benefit amount to derive the duration. Some states' laws specify both the minimum and maximum duration, in weeks, along with the method of calculating benefit entitlement. Since in all of these states the maximum potential benefit may be used for weeks of total or partial unemployment, individuals can collect benefits longer than their stated duration, 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 will have a higher weekly benefit amount but a shorter duration.

A few states include a limitation on wage credits in computing duration. For example, in Colorado, only wages up to 26 times the current maximum weekly amount per quarter count. This type of provision tends to reduce weeks of benefits for individuals at the higher benefit levels.

This section deals only with the regular UI program. Extensions are addressed in the following chapter.

The following table describes how each state calculates benefit entitlement and the wage credits required to qualify for the maximum duration of the maximum weekly benefit for all states. The amounts displayed assume level wage earnings throughout the claimant's base period.

TABLE 3-11: MAXIMUM BENEFIT ENTITLEMENT

State	Formula for Calculating Benefit Entitlement	Maximum Potential Benefits		
		Amounts[1]	Wage Credits Required	
			High quarter	Base period
AL	Lesser of 26 x WBA or ⅓ BPW	$6,890	N/A	$20,670
AK	Ratio of annual wages to HQW—from less than 1.5 to 3.5 or more	$9,620 - $11,492	N/A	$42,000
AZ	Lesser of 26 x WBA or ⅓ BPW	$6,240	$5,988	$18,720
AR	Lesser of 20 x WBA or ⅓ BPW	$9,020	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 wage credits in BP	$13,416 (low formula)	$11,180 (low formula)	$40,248 (low formula)
		$14,768 (high formula)	Not applicable (high formula)	$59,072 (high formula)
CT	N/A: Uniform duration state	$16,016 - $17,966	$16,016 in each of 2 quarters	$24,640
DE	½ BPW	$8,580	N/A	$17,160
DC	N/A: Uniform duration state	$11,050	$11,050	$16,575
FL	25% BPW up to $6,325	$6,325	$7,150	$25,300
GA	Lesser of 14 - 20 x WBA or ¼ BPW	$6,600	N/A	$26,400
HI	N/A: Uniform duration state	$15,392	$12,412	$15,392
ID	Sliding scale of seasonally adjusted unemployment rates determines number of weeks	$10,660	$10,660	$37,950
IL	N/A: Uniform duration state	$11,674 - $15,938	N/A	$24,791 in 2 quarters
IN	Lesser of 26 x WBA or 28% of BP wage credits	$10,140	N/A	$43,149

TABLE 3-11: MAXIMUM BENEFIT ENTITLEMENT

State	Formula for Calculating Benefit Entitlement	Maximum Potential Benefits		
		Amounts[1]	Wage Credits Required	
			High quarter	Base period
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	$11,622 - $14,248	$10,281	$34,866
KS	Lesser of 26 x WBA or ⅓ BPW	$12,324	$11,153	$36,972
KY	Lesser of 26 x WBA or ⅓ BPW	$10,790	N/A	$32,370
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	$10,660 - $15,990	N/A	$31,980
MD	N/A: Uniform duration state	$11,180 same maximum 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 rate ≤5.1%)	$22,260 - $33,090	N/A	$61,834
MI	43% BPW	$7,240 same with or without DA	$8,830	$16,838
MN	Lesser of 26 x WBA or ⅓ BPW	$11,440 (based on HQW)	$11,440 (based on HQW)	$34,320 (based on HQW)
		$17,758 (based on BPW)	N/A (based on BPW)	$71,032 (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	$16,000
MT	Ratio of BPW to HQW—from 1.0 to 3.5 or greater (see schedule in law)	$14,280	N/A	$46,979
NE	Lesser of 26 x WBA or ⅓ BPW	$10,192	$10,192	$30,576
NV	Lesser of 26 x WBA or ⅓ BPW	$11,076	$10,650	$33,228
NH	N/A: Uniform duration state	$11,102	N/A	$41,500
NJ	Lesser of 26 x WBA or total number of weeks worked in BP x WBA	$17,602 same with or without DA	N/A	$29,337
NM	Lesser of 26 x WBA or 60% BPW	$11,050 - $12,350	$10,328	$18,417
NY	N/A: Uniform duration state	$11,180	$11,180	$16,770
NC	N/A: Uniform duration state	$7,000	N/A	$18,200
ND	Ratio of BPW to HQW—from 1.5 to 3.2	$16,380	N/A	$87,360
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	$11,518 - $15,548	N/A	$23,036 in 26 weeks
OK	Lesser of 26 x WBA or a variable percentage of the state's AAW for the 2nd preceding year depending upon the conditional factor in place	$11,100	$11,730	$26,520
OR	Lesser of 26 x WBA or ⅓ BPW	$15,340	N/A	$47,200
PA	An individual with at least 18 credit weeks is eligible for 26 weeks (a credit week is one in which claimant earned at least $116)	$14,586 - $14,794	$14,263	$22,679
PR	N/A: Uniform duration state	$3,458	>$3,442	$5,320
RI	Lesser of 26 x WBA or 33% BPW	$14,716 - $18,382	N/A	$44,594
SC	Lesser of 20 x WBA or ⅓ BPW	$6,520	$8,476	$19,560
SD	Lesser of 26 x WBA or ⅓ BPW	$9,880	$9,880	$29,640

TABLE 3-11: MAXIMUM BENEFIT ENTITLEMENT				
State	Formula for Calculating Benefit Entitlement	Maximum Potential Benefits		
		Amounts[1]	Wage Credits Required	
			High quarter	Base period
TN	Lesser of 26 x WBA or ¼ BPW	$7,150	N/A	$28,600
TX	Lesser of 26 x WBA or 27% BPW	$12,818	$12,313	$47,475
UT	27% BPW	$13,624	$13,619	$50,460
VT	Lesser of 26 x WBA or 46% BPW	$11,908	N/A	$25,887
VA	26 x WBA (see table in law)	$9,828	N/A	>$37,800
VI	Lesser of 26 x WBA or ⅓ BPW	$12,480	$12,480	$37,440
WA	Lesser of 26 x WBA or ⅓ BPW	$17,706	N/A	$53,118
WV	N/A: Uniform duration state	$11,024	N/A	$40,150
WI	Lesser of 26 x WBA or 40% BPW	$9,620	$9,250	$24,050
WY	Lesser of 26 x WBA or 30% BPW	$12,714	$12,225	$42,380

GENERAL NOTE: Since 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 3-3.) Some states will extend duration under certain circumstances; see chapter 4 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.

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	Variable Duration			
		Weeks Based on Base-Period Wages (BPW)		Weeks based on BPW and Unemployment Rate	
		Minimum	Maximum	Minimum	Maximum
AL		15	26		
AK		16	26		
AZ		13	26		
AR		9	20		
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	26
IL	26				

TABLE 3-12: DURATION OF BENEFITS					
State	Uniform	Variable Duration			
		Weeks Based on Base-Period Wages (BPW)		Weeks based on BPW and Unemployment Rate	
		Minimum	Maximum	Minimum	Maximum
IN		8	26		
IA		7	26		
KS				10	16-26
KY		15	26		
LA	26				
ME		15	26		
MD	26				
MA		10	30[1]		
MI		14	20		
MN		11	26		
MS		13	26		
MO		8	20		
MT		8	28[2]		
NE		1	26		
NV		12	26		
NH	26				
NJ		1	26		
NM		14	26		
NY	26				
NC	12-20[3]				
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				

TABLE 3-12: DURATION OF BENEFITS					
State	Uniform	Variable Duration			
		Weeks Based on Base-Period Wages (BPW)		Weeks based on BPW and Unemployment Rate	
		Minimum	Maximum	Minimum	Maximum
WI		14	26[4]		
WY		11	26		

[1] Maximum number of weeks is capped at 26 during periods of low unemployment.
[2] To qualify for 28 weeks, individual's ratio of total base-period wages to HQ wages must be at least 3.5.
[3] Number of weeks paid in a given year is dependent upon the state's unemployment rate.
[4] 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

Special provisions are found in several states' laws restricting the payment of benefits to individuals who earned some or a substantial part of their base-period wages for employers whose operations take place only during certain seasons of the year.

In these provisions, the term seasonal is defined either in the statute or in the rules or regulations implementing the statute in terms of the:

- industry, employer, or occupation involved;
- wages earned during the operating period of the employer or industry; and
- individual.

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 agency or upon application by the employers or individuals involving hearings and presentation of supporting data. Arkansas law provides that any employer classified as a seasonal employer may request not to be treated as a seasonal employer.

In other states, a seasonal pursuit, industry, or employer is defined as one in which, because of climatic conditions or the seasonal nature of the employment, it is customary to operate only during a regularly recurring period or periods of less than a specified number of weeks: 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.

In general, restrictions on the payment of benefits to individuals employed during the operating periods of these seasonal industries fall into one of two groups.

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 base-period 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				

Other states have established differing seasonal provisions, which are listed in the following table.

TABLE 3-14: OTHER SEASONAL PROVISIONS	
DE	Individual with 75% or more of base-period 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 base period
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
WI	Individual working less than 90 days for a seasonal employer is not eligible unless the individual is paid wages of $500 or more by at least one other employer

DEDUCTIONS AND WITHHOLDING FROM BENEFITS

Under Federal law, benefits must be paid to an individual as a matter of right and may not be intercepted to satisfy debts or other obligations. However, Federal law provides some exceptions to this requirement discussed in the following text.

OVERPAYMENTS—All states reduce benefits otherwise payable to recover earlier UI overpayments. See Chapter 6 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 FOOD STAMPS—If the individual owes an uncollected overissuance of food stamps, a state's UI agency may deduct such amount from benefits payable. The following table indicates which state laws provide for these deductions. However, not all of these states necessarily make these deductions; it depends on whether the state UI and food stamp agencies have entered into agreements.

TABLE 3-15: STATES WITH AUTHORITY TO DEDUCT FOOD STAMP 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**	**Local**	**State**	**State**	**Local**	**State**	**State**	**Local**	**State**	**State**	**Local**	**State**	**State**	**Local**
AZ	X		CO	X		CT	X	X	DE	X		DC	X	X
GA	X		HI	X	X[1]	ID	X		IL	X		IA	X	
KS	X	X	KY	X		ME	X	X	MD	X		MA	X	
MI	X[2]		MN	X		MS	X	X	NE	X		NH	X	X
NM	X	X	NY	X	X	NC	X		ND	X		OK	X[2]	
OR	X		RI	X		SC	X		TN	X		UT	X	
VT	X		WV	X		WI	X							

GENERAL NOTE: **AK**, **FL**, **NV**, **NH**, **SD**, **TX**, **TN**, **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—Illinois and Oklahoma authorize the deduction of health insurance premiums from the UI weekly benefit amount if the individual so elects, provided that the state has an approved health care plan for unemployed individuals. However, neither state has implemented this authority. 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

The previous chapter included a discussion of duration of benefits concerning the regular UI program. However, extensions of UI benefits are available under certain circumstances. In addition, some programs provide benefits under conditions when UI is not normally payable. This chapter covers these special programs. In particular, it discusses:

- 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 (worksharing) (STC); and
- Self-Employment Assistance (SEA).

FEDERAL-STATE EXTENDED BENEFITS (EB)

Since 1970, Federal law has provided for payment of EB during periods of high and rising unemployment in a state.

TRIGGERS FOR EB—The following "triggers" are used to determine whether EB is payable in a particular state:

- Mandatory – A state must pay up to 13 weeks of EB if the insured unemployment rate (IUR) for the previous 13 weeks is at least 5% <u>and</u> is 120% of the average of the rates for the corresponding 13-week period in each of the 2 previous years. (The IUR is the ratio of the number of individuals collecting regular UI to the number of individuals who could potentially collect UI if they lost their jobs.)

- Optional – A state may pay up to 13 weeks of EB if the IUR for the previous 13 weeks is at least 6%, regardless of the experience in the previous years.

- Optional – A state may pay up to 13 weeks of EB if the average total unemployment rate (TUR), seasonally adjusted, for the most recent 3 months is at least 6.5% and is 110% of the rate for the corresponding 3-month period in either or both of the 2 previous years. If such rate is at least 8.0% and is 110% of the rate for the corresponding 3-month period in either or both of the 2 previous years, the duration increases from 13 to 20 weeks. (The TUR is the ratio of the total number of all unemployed persons to the civilian labor force.)

TABLE 4-1: STATES WITH OPTIONAL TRIGGERS FOR EB

State	DOES NOT Use 6% IUR Option	Uses 6.5% TUR Option	State	DOES NOT Use 6% IUR Option	Uses 6.5% TUR Option
AL		X[1, 2]	NV		X[1, 2]
AK		X	NH	X	X
AZ		X[1, 3]	NJ		X
CA		X[1, 2]	NM		X[1,2]
CO		X[1, 2]	NY		X[1, 2]
CT		X	NC		X
DE	X	X[1, 2]	ND	X	
DC		X[1, 2]	OH		X[1, 2]
FL	X	X[2]	OR		X
GA	X	X[1, 2]	PA		X[1, 2]
IA	X		RI		X
ID		X[1, 2]	SC		X[1, 2]
IL		X[1, 2]	SD	X	
IN		X[1, 2]	TN		X[1, 2]
KS		X	TX		X[1, 2]
KY	X	X[1, 2]	UT	X	
ME		X[1, 3]	VT		X
MD		X[2]	VA		X[1, 3]
MA		X[1, 4]	WA	X	X
MI	X	X[1, 2]	WV		X[1, 2]
MN		X	WI		X[1, 2]
MO		X[1, 2]	WY	X	

[1] Temporary triggers contingent upon 100% Federal sharing of EB costs.
[2] Trigger expires the week ending four weeks prior to the last week for which 100% Federal sharing is authorized.
[3] Trigger expires the week ending three weeks prior to the last week for which 100% Federal sharing is authorized.
[4] Trigger expires the week ending prior to the last week for which 100% Federal sharing is authorized.

FINANCING OF EB—Under permanent law, half of the sharable benefits paid are financed by the Federal government from FUTA revenues. (If the state already provides for duration of over 26 weeks for regular UI, the Federal government will also share in the cost of any weeks beyond 26.) The Federal share of EB will be reduced if a state (a) has no waiting week or permits payment of the waiting week at any time; or (b) does not round benefits down to the lower dollar. No Federal sharing is available for EB costs attributable to employment with state and local governmental entities or federally recognized Indian tribes. (These entities do not pay the FUTA tax, which finances the Federal share of EB.)

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

- An individual must have 20 weeks of covered work or the equivalent in covered wages (which exceed 1½ times high-quarter wages or 40 times the weekly benefit amount) in the base period.

- An individual claiming EB who fails to make "a systematic and sustained" work search or to apply for or accept "suitable work" is not entitled to EB until the individual has been employed during at least 4 weeks and has earned a total of 4 times the individual's weekly EB amount. Suitable work is defined as "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.

TABLE 4-2: EB MONETARY REQUIREMENT USED IN STATES WHERE REGULAR UI 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	

TABLE 4-2: EB MONETARY REQUIREMENT USED IN STATES WHERE REGULAR UI MINIMUM QUALIFYING FORMULA DOES NOT SATISFY 20-WEEK REQUIREMENT*			
State	**20 Weeks**	**Exceeds 40 x WBA**	**Exceeds 1½ HQW**
RI		X	X
TX		X	X
VT		X	
VA	X	X	
VI			X
WA		X	X
WV		X	
WI		X	
WY			X

* See Table 3-3 for information on qualifying requirements for regular UI benefits.

REDUCTIONS IN AMOUNT OF EB—EB paid on interstate claims is limited to two weeks unless both agent and liable states are in an EB period. Also, individuals who received 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 FEDERAL EXTENSION PROGRAMS

In addition to the permanent EB program, Congress has, from time to time, enacted temporary programs extending unemployment compensation benefits. The most recent such program was Emergency Unemployment Compensation 2008 (EUC08). This program provides some weeks of 100 percent federally financed compensation to eligible individuals in all states and some additional weeks for individuals in "high unemployment" states.

TABLE 4-3: SPECIAL FEDERAL EXTENSION PROGRAMS ENACTED BY CONGRESS	
Name	**Effective Dates**
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 01/14

STATE ADDITIONAL BENEFITS (AB)

A few states have solely state-financed programs for extending the potential duration of benefits during periods of high unemployment for individuals in approved training who exhaust benefits, or for a variety of other reasons. 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.

EXTENSIONS AND SPECIAL PROGRAMS

The following table includes information about states that have AB programs. Caution should be taken in using the following table because: (1) some AB programs may be subject to annual legislative appropriations, meaning they may not be in effect; and (2) short-term AB programs will not be included if their legislative authorization expired prior to publication. Enactment of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) resulted in changes to laws in some states seeking to modernize their unemployment compensation programs. Please note that the following table does not align with the requirements established by Pub. L. 111-5.

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

State	Name of Extension	Duration	To Whom/When Payable	Miscellaneous
AK	Supplemental State Benefits	13 weeks	Exhaustees of regular UI 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 UI 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 16th week of receiving UI benefits	Expires 1/1/ 2019
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 UI, not qualify for UI monetarily, or be self employed	Must be approved by Governor
	State Additional Benefits	13 weeks	A temporary additional benefits program limited to Maui county extends unemployment benefits as a result of mass sugar plantation layoffs.	Expires 10/28/17
IA	Extended Benefits	13 weeks	If unemployed due to last employer going out of business, wage credits are recomputed up from ⅓ of wages for insured work to ½	Permanent
	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
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	Permanent
KS	Training Extension	26 weeks	Individuals who are enrolled in and making satisfactory progress in an approved training program	Claimants in shared work program may not qualify for additional benefit for 2 years after training benefits expire

TABLE 4-4: STATES WITH ADDITIONAL BENEFITS (AB) PROGRAMS				
State	**Name of Extension**	**Duration**	**To Whom/When Payable**	**Miscellaneous**
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 Trade Readjustment Assistance, exhausted all rights to regular UI and EB, and has no rights to benefits under any other state or Federal law	Determined by Commissioner
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 UI and EB, and have no rights to benefits under any other state or Federal law	Permanent
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 BP 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 UI; 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
	Iron Ore Mining and Related Industries Extended Benefits	26 weeks	If individual was laid off due to lack of work in the iron ore mining industry or for an employer providing goods and services to an iron mining industry employer; individual must have exhausted regular UI and not be eligible for TRA.	Expires 6/25/17
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 UI benefits 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 UI claim	Exhaustees of regular UI benefits who continue to meet eligibility requirements for regular UI benefits 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

TABLE 4-4: STATES WITH ADDITIONAL BENEFITS (AB) PROGRAMS				
State	**Name of Extension**	**Duration**	**To Whom/When Payable**	**Miscellaneous**
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
WA	Training Benefits Program	52 x WBA less regular UI 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)

The Trade Act of 1974, as amended, provides for adjustment assistance to individuals who are unemployed or underemployed because of the adverse effect of increased imports, as a result of trade arrangements permitted under the Act, or because of shifts in production outside the United States. Trade adjustment assistance (TAA) provided by the Act consists of trade readjustment allowances (TRA), relocation and job search allowances, and subsistence and transportation allowances during periods of approved training.

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

CERTIFICATION PROCESS—Individuals are certified as eligible to apply for TAA if a group of 3 or more workers, an employer, a certified or recognized union or duly authorized representative, or a state workforce official petitions the Secretary of Labor for a determination of eligibility to apply for TAA and the Secretary determines that the importation of competitive foreign products or shifts in production outside the United States contributed importantly to the loss of employment at the firm mentioned in the petition.

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 participating in an approved training program unless it is determined that training is not feasible or appropriate.

DURATION—Basic TRA is payable at the state UI rate over a 104-week eligibility period beginning with the first week after the individual's most recent TRA qualifying separation from employment. Basic TRA provides 52 weeks of income support less the UI entitlement in the trade-qualifying UI benefit period (generally 26 weeks of UI). Individuals may be eligible for an additional 65-78 weeks for a total of 130 weeks of income support if they are participating in approved training. For additional information on the Trade Readjustment Assistance program go to: http://www.doleta.gov/tradeact/.

EXTENSIONS AND SPECIAL PROGRAMS

SUBSISTENCE AND TRANSPORTATION ALLOWANCES—An adversely affected individual may receive TRA while participating in approved training. Individuals may also receive subsistence and transportation allowances while attending training at a facility that is not within commuting distance of their residence.

RELOCATION ALLOWANCES—Relocation allowances are payable to totally separated individuals who have no reasonable expectation of securing suitable work in the area in which they live, and who have a bona fide offer of suitable work in the area to which they wish to relocate. Relocation allowances consist of a lump sum payment of up to 90 percent (not to exceed $1,250) of the allowable expenses incurred in moving the individuals, their families, and their household effects to the location of their new jobs.

JOB SEARCH ALLOWANCES—Job search allowances are payable to totally separated individuals who have no reasonable expectation of securing suitable work 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 unemployed as a result of a major disaster such assistance as the President deems appropriate while the individual is unemployed. Among the types of assistance available as a result of a presidentially declared disaster is DUA – a payment made by state UI 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—In general, Federal regulations provide that certain individuals living or working in areas affected by a major disaster who are unemployed because of the disaster are eligible for DUA though they are not eligible for UI benefits or other wage replacement payments (e.g. the self-employed). Applications for DUA must be filed within 30 days of the Governor's announcement of a disaster in the state; the unemployment must be directly caused by the disaster; and, in general, individuals must be able and available for suitable work.

DISASTER ASSISTANCE PERIOD—The disaster assistance period – the period during which DUA is payable – begins with the first week following the date the major disaster began. DUA is available to an individual during this period as long as unemployment caused by the disaster continues or until he or she is reemployed in a suitable position, but no longer than 26 weeks after the major disaster is declared.

WEEKLY ASSISTANCE AMOUNT—In jurisdictions that operate a UI program,[1] the weekly DUA amount is computed in accordance with the applicable state law formula used to compute the weekly amount under the state's regular unemployment insurance program <u>except</u> that if the individual's weekly amount is less than 50 percent of the state's average weekly payment of regular compensation in the state, the individual will be entitled to 50 percent of the average weekly payment of regular compensation in the state.

DEDUCTIONS—The DUA payable to an individual for a week is reduced by the amount of any of the

[1] 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 4 of the last 5 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 to approximately 50% 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.

following that an applicant has received for the week or would receive for the week if he or she filed a claim: 1) any compensation or insurance from any source for loss of wages due to illness or disability; 2) supplemental unemployment benefits pursuant to a collective bargaining agreement; 3) workers' compensation by virtue of death of head of household; and 4) the amount of retirement pension or annuity under a public or private retirement plan or system if such amount is deductible under the state UI law. In addition, the weekly DUA amount is reduced by the amount of wages that the individual earns in a week as determined by applying to the wages the earnings allowance for partial or part-total unemployment prescribed by the applicable state's UI law.

SHORT-TIME COMPENSATION (WORKSHARING)

Like the partial benefit provisions of state UI laws, short-time compensation (STC) programs, also known as worksharing or shared work, allow an individual who is employed for a portion of the week to collect UC benefits. Under STC, an employer elects to avoid layoffs by reducing the number of regularly scheduled hours of work for all, or a group of, individuals during disruptions to a firm's regular business activity. Whereas partial benefit formulas look at individuals' earnings, STC looks at the hours of work and provides individuals a pro-rata share of weekly benefits based on the reduction in weekly hours of work.

Most states do not allow seasonal employees to participate in an employer's STC plan. Several states require that employers be current in filing reports and paying contributions as a condition of participation. Many states require the union to agree to an STC plan if the employer is unionized.

The definition of "Short-Time Compensation" was modified by the Middle Class Tax Relief and Job Creation Act of 2012 and codified in Section 3306(v), FUTA. States are not required to enact an STC program; however, states may not operate an STC program that does not conform to this definition.

Under the definition in Section 3306(v), FUTA, employers must submit an STC plan to the state for approval. The employer's plan must be consistent with employer obligations under applicable Federal and state laws. Further, the affected employees' (also known as "affected unit") workweeks must have been reduced by at least 10 percent, and by not more than the percentage, if any, that is determined by the state to be appropriate, but in no case more than 60 percent. Individuals receiving STC payments meet the UC availability for work and work search test requirements by being available for their customary workweek as required by state law. Moreover, the STC plan must provide that employers will maintain (to the same extent as for other employees not participating in the STC program) health benefits and retirement benefits under Section 414(i) and (j) of the Internal Revenue Code for employees in the affected unit, despite the reduced hours. In addition, the plan may provide that workers in the affected unit may participate in employer-sponsored or Workforce Innovation and Opportunity Act funded training if approved by the UI agency.

TABLE 4-5: STATES WITH WORKSHARING PROGRAMS

State	Period of Approved Plan	Required Reduction of Work	Maximum Number of Weeks Payable	Continuation of Benefits Required
AZ	1 year	At least 10% but not more than 40%	26 weeks (limitation does not apply if state IUR consisting of the week and the preceding 12 weeks is ≥ 4%)	X
AR	12 months or date in plan, whichever is earlier	Not less than 10%, but not more than 40%	25 weeks	X
CA[1]	6 months	At least 10%	No limit on weeks, but total paid cannot exceed 26 x WBA	X
CO	12 months or less	At least 10% but not more than 40%	18 weeks	X
CT	26 weeks (with 26-week extension possible)	Not less than10%, but not more than 60%	26 weeks	X
DC	12 months	At least 20%, but not more than 40%	50 weeks (with 2-week extension possible)	X[2]

TABLE 4-5: STATES WITH WORKSHARING PROGRAMS				
State	**Period of Approved Plan**	**Required Reduction of Work**	**Maximum Number of Weeks Payable**	**Continuation of Benefits Required**
FL	12 months	Not less than 10%, but not more than 40%	26 weeks	X
IA	52 weeks	Not less than 20%, but not more than 50%	26 weeks	X
IL[2]	12 months	Not less than 20%, but not more than 60%	52 weeks	X
KS	12 months	Not less than 20%, but not more than 40%	26 weeks	X
ME	12 months	Not less than 10%, but not more than 50%	52 weeks	X
MD	6 months	At least 20%, not to exceed to 50%	26 weeks	X
MA	52 weeks	Not less than 10%, but not more than 60%	52 weeks	X
MI	52 weeks	Not less than 15% and no more than 45%	No limit on weeks, but total paid cannot exceed 20 x WBA	X
MN	At least 60 days, but not more than 1 year	Not less than 20%, but not more than 50%	52 weeks	X
MO	12 months	Not less than 20%, but not more than 40%	52 weeks	X
NE	12 Months	Not less than 10%, but not more than 60%	52 weeks	X
NH	26 weeks	Not less than 10%, but not more than 50%	26 weeks	X
NJ	12 months	Not less than 10%	26 weeks	X
NY		Not less than 20%, but not more than 60%	26 weeks	X
OH	52 weeks	Not less than 10%, but not more than 50%	26 weeks	X
OR	Not more than 1 year	At least 20%, but not more than 40%	52 weeks	X
PA[3]	52 weeks	Not less than 20%, but not more than 40%	52 weeks	X
RI	12 months	Not less than 10%, but not more than 50%	52 weeks	X
TX	12 months	At least 10%, but not more than 40%	26 weeks	X
VT	6 months or date in plan, whichever is earlier	Not less than 20%, but not more than 50%	26 weeks	X
WA	12 months or date in plan, whichever is earlier	Not less than 10%, but not more than 50%	No limit on weeks, but total paid cannot exceed maximum entitlement	X
WI	6 months in any 5-year period within the same work unit	Not less than 10%, but not more than 50%	No limit on weeks, but total paid cannot exceed maximum entitlement	X

[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] Program expires 5 years from effective date of February 16, 2016.

SELF-EMPLOYMENT ASSISTANCE (SEA) PROGRAM

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

- Eligible for UI;

- 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 benefits; and
- Participating in self-employment activities including entrepreneurial training, business counseling, and technical assistance.

The authorizing Federal law provides that no more than 5 percent of individuals receiving regular UI benefits 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 unemployment weekly benefit amount. Participants actively engage full-time in activities relating to the establishment of a business and becoming self-employed, and are considered to be unemployed. Provisions of state law relating to availability for work, search for work, and refusal to accept work do not apply.

The Middle Class Tax Relief and Job Creation Act of 2012, enacted on February 22, 2012, amended Federal law to extend the SEA program to the long-term unemployed receiving benefits under the Emergency Unemployment Compensation (EUC) and Extended Benefits (EB) programs if state law permits.

TABLE 4-6: STATES WITH SEA PROGRAMS		
Delaware	Louisiana (Authority in law, but program not active)	Maine
Mississippi	New Hampshire	New Jersey
New York (expires 12/7/2017)	Oregon	Pennsylvania
Rhode Island		

CHAPTER 5

NONMONETARY ELIGIBILITY

IN GENERAL

Along with monetary requirements, each state's UI law requires individuals to meet nonmonetary requirements. Federal law mandates some of these requirements. The general rule is that individuals must have lost their jobs through no fault of their own and must be able to work, available for work, and actively seeking work. By examining the individual's current attachment to the labor force, these provisions delineate the type of risk covered by UI law – primarily, unemployment caused by economic conditions.

This chapter is organized from the perspective of an individual experiencing the claims process. First, the state would determine if there are any issues related to the individual becoming unemployed. Second, issues concerning week-to-week eligibility would be explored, as would any refusals of suitable work. Third, the state would examine whether the individual received any "deductible income" causing a reduction in benefits payable.

Usage Note: There is often 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 s/he 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 condition causing the ineligibility ceases to exist. Eligibility issues are generally determined on a week-to-week basis.

SEPARATIONS FROM EMPLOYMENT

VOLUNTARILY LEAVING WORK—Since the UI program is designed to compensate wage loss due to lack of work, voluntarily leaving work without good cause is an obvious reason for disqualification from benefits. All states have such provisions.

In most states, disqualification is based on the circumstances of separation from the most recent employment. These disqualification provisions may be phrased in terms such as "has left his most recent work voluntarily without good cause." In a few states, the agency looks to the causes of all separations within a specified period. An individual who is not disqualified for leaving work voluntarily with good cause is not necessarily eligible to receive benefits. For example, if the individual left because of illness or to take care of a family member who is ill, the individual may not be able to work or available for work. This ineligibility would generally last only until the individual was again able and available.

NONMONETARY ELIGIBILITY

Good Cause for Voluntarily Leaving—In all states, individuals who leave their work voluntarily must have good cause if they are not to be disqualified.

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, in a state where good cause is not explicitly linked to the work, the state may interpret its law to include good personal cause or it may limit it to good cause related to work. Since a state law limiting good cause to the work is more restrictive, it may contain specific exceptions that are not necessary in states recognizing 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; it would be necessary in a state restricting good cause to that related to the work.)

The following table identifies states that restrict good cause for quitting to reasons connected to the work.

Table 5-1: VOLUNTARILY LEAVING – MUST BE CONNECTED TO WORK							
State	**Basis**	**State**	**Basis**	**State**	**Basis**	**State**	**Basis**
AL	L	AZ	L	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							

Wisconsin does not disqualify an individual who accepts work that could have been refused with good cause and then terminates with good cause within the first 30 calendar days after starting the job.

The following tables indicate common "good cause" provisions. Other provisions are discussed in the text following the tables; note that domestic violence provisions are found in table 5-4 and are not part of the more general category of "sexual or other harassment" displayed in table 5-2 below. Please note that the following tables are intended to provide a general overview of voluntary leaving provisions in the states; they are not meant to be exhaustive. Please consult the appropriate state statute, regulation, or policy for more specific information. Please note that NC law does not include any of these provisions.

Table 5-2: VOLUNTARILY LEAVING – GOOD PERSONAL CAUSE				
State	**To Accept Other Work**	**Compulsory Retirement**	**Sexual or Other Harassment**	**Individual's Illness**
AL	L		L[1]	L
AK	L[2]	I	I	I
AZ	R	R[3]	R	R
AR			L	L

Table 5-2: VOLUNTARILY LEAVING – GOOD PERSONAL CAUSE				
State	**To Accept Other Work**	**Compulsory Retirement**	**Sexual or Other Harassment**	**Individual's Illness**
CA	R	L, R	L	R
CO	L[2]	L	L	L
CT	L[2]	R	R	R, I[4]
DE		I	I	L
DC			R	R[4]
FL	L[2]	I		L
GA	I	I[3]	R[5]	R[4, 5]
HI	R	R	L	I
ID	L, R	L, R	L	L, R
IL	L	I	L	L[4]
IN	L	L	L	L
IA	L	R	I	L
KS	L	L	L	L
KY	L	I	I[1]	I[4]
LA	I[2]	I	I	
ME	L, R	L, R	R	L, R[4]
MD		I[3]	I	L[4]
MA	L	L	L	I
MI	L	I[3]	I	L[4]
MN	L	I	L	I
MS	I	L[3]	L	I
MO	L[2]		I	I
MT		L, R	L, R[6]	L, R
NE	L[2]	L[3]	L	L
NV	L	I[3]	I	I
NH	L, R[2]	I	I	L[4], R
NJ	R	I[3]	I	R
NM	L	L	L, R	L
NY	I	I	I	I
ND	L[2]		L	L
OH	L[2]	I	I	I
OK		I	I	L
OR	R[2]	I[3]	I[5]	I[4, 5]
PA	I	I	I[5]	I[5]
PR	I	I	I	I
RI	I	I[3]	L	I

Table 5-2: VOLUNTARILY LEAVING – GOOD PERSONAL CAUSE				
State	**To Accept Other Work**	**Compulsory Retirement**	**Sexual or Other Harassment**	**Individual's Illness**
SC		I	I	
SD	L[2]	I	I	L
TN		L[3]	L	L[4]
TX	L	I	L	L
UT	R	I[3]	R	R
VT	I[7]	I[3]	I	
VA	L[2]	I	L[5]	L[5]
VI	I	I	I	I
WA	L[4]	I	L, R	L[4]
WV			I	L
WI	L	L	L	L
WY				L

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

[1] **AL** and **KY** - 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] Separations due to compulsory retirement addressed under misconduct section of the rules; separations considered a discharge for reasons other than misconduct.
[4] Requires illness be related to work; physician recommendation/certification and/or failure of the employer to provide accommodations; or other specific limitation.
[5] Requires employer notification or pursuit of reasonable alternatives/adaptations prior to leaving.
[6] 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.
[7] Only if the new job never materializes due to lack of work.

The following table shows states whose unemployment law, regulation, or policy addresses separation from employment to join the armed forces.

Table 5-3: VOLUNTARILY LEAVING – GOOD PERSONAL CAUSE: To Join the Armed Forces									
AK	I	AZ	R	CO	I	GA	I	HI	I
ID	L	IN	L	IA	R	KS	L	ME	I
MA	I	MI	I	MN	I	MO	I[1]	NV	I
NM	L, R	NY	I	OH	L[2]	OR	I[3]	PA	I
RI	I	TN	L	UT	I	VI	I	WA	L

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

[1] Only if the military pay is more remunerative.
[2] If individual is inducted into armed forces within 30 days after separation, or 180 days after separation if date of induction is delayed solely at the discretion of the armed forces.
[3] If the offer of work is definite, begins in shortest time reasonable, is reasonably expected to continue, and pays more than previous employment or WBA.

The American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) resulted in changes to many state laws to modernize their unemployment compensation programs, including easing qualifying requirements for workers who separate from employment due to "compelling family reasons." Compelling family reasons

include leaving work due to domestic violence, to care for a sick family member, or to follow a spouse who has moved to another job. Please note that the following tables do not align with the requirements established by Pub. L. 111-5.

Table 5-4: VOLUNTARILY LEAVING – GOOD PERSONAL CAUSE: Domestic Violence							
AK	L	AZ	L	AR	L	CA	L
CO	L[1]	CT	L	DE	L	DC	L
GA	L	HI	L	IL	L	IN	L
IA	I	KS	L	ME	L, R	MD	L
MA	L	MN	L[1]	MS	R	MT	L
NE	L	NV	I	NH	L, R	NJ	L, R
NM	L	NY	L	NC	L	ND	L
OK	L	OR	L, R	PA	I	PR	I
RI	L	SC	L	SD	L	TX	L
UT	I	VI	L	WA	L	WI	L
WY	L						

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

[1] Includes immediate family member

Table 5-5: VOLUNTARILY LEAVING – GOOD PERSONAL CAUSE: To Perform Marital, Domestic, or Filial Obligations					
State	**Basis**	**Cause Must Be Illness or Disability of Immediate Family Member**	**State**	**Basis**	**Cause Must Be Illness or Disability of Immediate Family Member**
AK	R	X	AZ	R	
AR	L	X[1]	CA	L, R	X[2]
CO	L	X[3]	CT	L	X
DE	L	X	DC	L	X
HI	L	X	IL	L	X[2]
KS	I		ME	L, R	X[2]
MA	I	X	MN	L	X[2, 4]
NV	L	X[4]	NH	L	X
NY	L, I	X[5]	OH	L	
OK	L	X	OR	L	X[4]
PA	I	X[4]	RI	L	X
SC	L	X	TX	L	
UT	I		VA	I	X[2, 4]
VI	L		WA	L	X[2, 4]
WV[6]	L		WI	L	X[2]

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 child care (individual must be available for full-time work on original shift).

NONMONETARY ELIGIBILITY

The table below provides information on states that have provisions for individuals who quit as a result of a need to accompany a spouse due to the spouse's employment change. State laws vary regarding the circumstances when the spouse of a service member is eligible for benefits. See a states' law for specific eligibility factors.

Table 5-6: VOLUNTARILY LEAVING – GOOD PERSONAL CAUSE: Quit to Marry or to Follow Spouse

State	Basis	Impractical Commute	Military Spouses Only	State	Basis	Impractical Commute	Military Spouses Only
AL	L		X	AK	L, R	X	
AZ	R	X	X	AR	L	X	
CA	L	X		CO[1]	L	X	X
CT	L, R	X		DE	L	X	
DC	L	X		FL	L		X
GA	L		X	HI	L	X	
IL	L	X	X	IN	L	X	
IA	L		X	KS	L		X
KY	L		X	LA	L	X	
ME[2]	L, R	X[3]		MD	L		X
MA	I			MI	L		X
MN	L	X		MS	R		X
MO	L		X	MT	L		X
NE	L			NV	I	X	
NH	L, R	X		NJ	L		X
NM	L		X	NY	L, I	X	
NC	L		X	OH[1]	L		
OK	L	X	X	OR	L	X	
PA[4]	I			RI[5]	L	X	
SC	L	X		SD	L		L
TN	L		X	TX	L		X
UT	L		X	VT	L	X	X
VA	L	X	X	VI	L	X	
WA	L	X[6]		WV[1]	L		X
WI	L	X		WY	L		X

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

[1] Individuals who quit to marry are disqualified.
[2] State law defines "spouse" as a person to whom the individual is legally married, or a person to whom the individual was legally married within 14 days of arrival at the new place of residence.
[3] To accompany or follow a spouse to, or join a spouse in, a new place of residence, and individual is in all respects able, available, and actively seeking suitable work.
[4] Moving to follow a spouse is only allowable if reason for move was beyond spouse's control and there were insurmountable economic circumstances.
[5] Individuals who quit to follow a spouse who has retired are disqualified.
[6] To relocate for the employment of spouse or domestic partner that is outside the existing labor market area, provided that the individual remained employed for as long as was reasonable prior to the move.

Other Good Cause Provisions—Several states also specify various circumstances relating to work separations that, by statute, require a determination that the individual left with good cause. Kansas defines good cause as cause of such gravity that would impel a reasonable individual exercising common sense to leave employment. It requires a showing of good faith by the individual leaving work, including the presence of a genuine desire to work. Montana does not disqualify an individual who has compelling reasons arising from the work environment that caused him or her to leave work, provided that the individual attempted to correct the problem in the work environment, informed the employer of the problem, and gave the employer reasonable opportunity to correct the problem. Arizona and Connecticut do not disqualify individuals for voluntarily leaving because of transportation difficulties. Arizona does not disqualify unemancipated minors for voluntarily leaving if they left work to accompany their parent or parents to a place from which it is impractical to commute, or to accompany a parent who is a member of the armed services and who is transferred to another locality as a result of official orders. Colorado does not disqualify an individual who was absent from work due to an authorized and approved voluntary leave of absence. North Carolina does not disqualify an individual for leaving work due to a unilateral and permanent reduction in full time work hours of more than 50 percent or reduction in pay of more than 15 percent. In Arkansas and Utah, if an employer announces a pending reduction in force and asks for volunteers, individuals who participate are not disqualified; any incentives received are reportable as receipt of other remuneration. In Maine, an individual who offers to be included in a planned layoff or reduction in force, announced in writing, is not subject to disqualification. In Montana, individuals who leave work within 30 days of returning to state-approved training are determined to have left work with good cause. South Dakota allows a good cause quit for an officer of a company that exercises substantial control in decisions to take or not take action on behalf of a corporation and has no other alternative but to leave employment with that corporation.

Hawaii does not apply the voluntarily leaving disqualification to an individual who leaves part-time work because of the loss of a full-time job that makes it economically unfeasible to continue the part-time work. Hawaii also does not disqualify individuals who separate from part-time work that was outside the individual's customary occupation and would not be considered suitable work at the time the part-time work was accepted. Colorado does not disqualify an individual who quits a job outside his or her regular apprenticeable trade to return to work in the regular apprenticeable trade. In Michigan, an individual who is concurrently working part time for one employer as well as full-time for another employer will not be disqualified if s/he voluntarily leaves the part-time work while continuing work with the other employer.

Nebraska also includes the following as good cause to voluntarily quit: accepting a voluntary layoff to avoid bumping another worker; leaving employment as a result of being directed to perform an illegal act; unsafe working conditions; the employer requiring the individual to relocate; or because equity and good conscience demand a finding of good cause.

Good Cause - Relation to Other Laws—California and Michigan specify that an individual leaves a job with good cause if an employer deprived the individual of equal employment opportunities not based on bona fide occupational qualifications. Colorado, Kansas, and Utah do not disqualify an individual for voluntarily leaving if the individual was instructed or requested to perform a service or commit an act in the course of duties that is in violation of an ordinance or statute. Also, Colorado, Kansas, Michigan, and Utah do not disqualify an individual for voluntarily leaving due to hazardous working conditions. Montana does not disqualify individuals who leave work due to undue risk of injury, illness, physical impairment, or reasonably foreseeable risk to the individual's morals. In addition, Montana does not disqualify individuals who leave work as a result of a condition underlying a workers' compensation or occupational disease claim for which a workers' compensation insurer has accepted liability.

Good Cause and Labor Arrangements—Several state laws explicitly address separations that occur under collective bargaining agreements. California, Colorado, and Illinois do not disqualify an individual who, under a collective bargaining agreement, elects to be laid off in place of a worker with less seniority. Iowa has a similar provision that does not require that a collective bargaining agreement be in place.

Delaware and New York do not disqualify individuals for voluntarily leaving if, under a collective bargaining agreement or written employer plan, they exercise their option to be separated, with the employer's consent, for a temporary period when there is a temporary layoff due to a lack of work. Oklahoma, Pennsylvania, and Tennessee specify that an individual will not be denied benefits for voluntarily leaving if s/he exercises his or her option of accepting a layoff pursuant to a union contract, or an established employer plan, program, or policy. Georgia and Tennessee permit the individual, because of lack of work, to accept a separation from employment. In Tennessee, however, an individual will be disqualified for a separation due to accepting a program providing incentives for voluntarily terminating employment.

Kentucky does not disqualify individuals for voluntarily leaving if they are separated due to a labor-management contract or agreement or an established employer plan, program, or policy that permits the employer to close the plant or facility for vacation or maintenance. Also, Kentucky does not disqualify individuals for voluntarily leaving their next most recent work that was concurrent with the most recent work, or for leaving work that was 100 miles (one way) from home to accept work less than 100 miles away, or if the individual left part-time work to accept the most recent suitable work.

Oregon does not disqualify individuals for voluntarily leaving if they cease to work or fail to accept work when a collective bargaining agreement between their bargaining unit and their employer is in effect and the employer unilaterally modifies the amount of wages payable under the agreement, in breach of the agreement. In addition, Oregon does not disqualify individuals for voluntarily leaving work, and deems them to be laid off, if the individual works under a collective bargaining agreement, elects to be laid off when the employer has decided to lay off employees, and is placed on the referral list under the collective bargaining agreement.

In Wisconsin, the voluntarily leaving disqualification will not apply to an individual who terminates work with a labor organization that causes the individual to lose seniority rights granted under a union agreement, and if the termination results in a loss of employment with the employer that is a party to that union agreement.

Michigan does not disqualify an individual who leaves work to accept a referral to another employer from the individual's union hiring hall.

Good Cause and Suitable Work—Several states have provisions that do not disqualify an individual for refusing an offer of work when the work is determined not to be suitable employment for the individual.

Montana does not disqualify individuals who leave work that the state determines to be unsuitable. Illinois does not impose a disqualification if the individual accepted new work after separation from other work and, after leaving the new work, the new work is deemed unsuitable. Michigan and Missouri do not disqualify individuals for voluntarily leaving if they leave unsuitable work within a specified number of days after beginning the work. Minnesota does not disqualify an individual for voluntarily leaving if the accepted employment represents a departure from the individual's customary occupation and experience and the individual left the work within 30 days under specified conditions. New Hampshire allows benefits if an individual, not under disqualification, accepts work that would not have been suitable and terminates such employment within 12 weeks. New York provides that voluntarily leaving is not in itself disqualifying if circumstances developed in the course of employment that would have justified the individual in refusing such employment in the first place. North Dakota does not apply the voluntarily leaving disqualification if an individual accepted work that could have been refused with good cause and terminated the employment with the same good cause within the first 10 weeks after starting work. Wisconsin does not apply the voluntarily leaving disqualification if the individual accepts work that could have been refused because of the labor standard provisions and terminates the work within 10 weeks of starting work. In Texas, an individual who voluntarily leaves unsuitable work is not disqualified if, at the time the work began, the individual was receiving benefits,

and the individual was employed at the last work for less than 4 weeks. Similarly, Texas does not disqualify individuals who leave unsuitable work to attend approved training.

Colorado does not impose a disqualification if the separation is determined to have been as a result of an unreasonable reduction in pay, refusing with good cause to work overtime without reasonable advance notice, or a substantial change in the working conditions. Kansas does not disqualify individuals for leaving work due to a substantial violation of the work agreement by the employer. Montana does not disqualify individuals who leave work due to unreasonable rules or discipline by the employer, or unreasonable actions by the employer concerning hours, wages, terms of employment, or working conditions.

Wisconsin will not apply the voluntarily quit disqualification if: an individual left to accept a job and earned wages of 4 times the weekly benefit amount, and the work offered average weekly wages at least equal to the wages earned in the most recent computed quarter in the terminated employment, or if the hours of work are the same or greater, or if the individual was offered the opportunity for longer-term employment, or if the position was closer to the individual's home than the terminated employment. Also in Wisconsin, a disqualification will not apply if an individual claiming partial benefits left to accept work offering an average weekly wage greater than the average weekly wage in the work terminated.

Good Cause and Jobs for Temporary Service Employers—Several states' laws provide that, if an employee of a temporary service employer fails to be available for future assignments upon completion of the current assignment, such individual shall be deemed to have voluntarily left employment without good cause connected to the work. These states require the employer to provide employees with notice that the employee must notify the temporary service upon the completion of an assignment and that failure to do so may result in benefit denial.

Table 5-7: STATES WITH TEMPORARY WORKERS PROVISIONS							
States Where Failure to Contact Employer Upon Completion of Assignment is Deemed VQ							
AL	R	AZ	R	AR	L	CO	L
DE	L	FL	L	GA	L	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	R
NY	I	ND	L	OK	L	PA	I
PR	I	RI	L	SC	R	SD	I
TN	I	TX	L	UT	I	WV	I
KEY: L = law , R = regulation, I = interpretation							

PERIOD OF DISQUALIFICATION—In most states, the disqualification lasts until the individual is again employed and earns a specified amount of wages. In Alaska and Colorado, the disqualification is a fixed number of weeks (in Colorado, only for separations from the most recent employer); the longest period in either of these states is 10 weeks. Nebraska has a disqualification of 13 weeks. Maryland and North Carolina impose fixed duration disqualifications for certain conditions described in the following table.

REDUCTION OF BENEFIT RIGHTS—In some states, in addition to the postponement of benefits, benefit rights are reduced, usually equal in extent to the weeks of benefit postponement imposed as described in the following table.

Table 5-8: VOLUNTARILY LEAVING - DISQUALIFICATION			
State	Benefits Postponed for:		Amount of Benefits Reduced
	Number of Weeks	Weeks and/or Wages to Requalify [1]	
AL		10 x WBA[2]	6-12 x WBA
AK	W + 5[2, 3]		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[4]	
DE		4 weeks of work and 4 x WBA	
DC		10 weeks of work and wages equal to 10 x WBA[3]	
FL		17 x WBA[2]	
GA		10 x WBA[5]	
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 ≥ 8 x WBA	By 25%
IA		10 x WBA[2]	
KS		3 x WBA	
KY		10 weeks of covered work and wages equal to 10 x WBA[2]	
LA		10 x WBA[2]	
ME		4 x WBA[2, 4]	
MD	W + 5-10[2, 3]	15 x WBA[2, 3]	
MA	X[2]	8 weeks of work and wages of 8 x WBA	
MI		12 x WBA	
MN		One-half of amount required to establish benefit account[6]	
MS		8 x WBA	
MO		10 x WBA[2]	
MT		Wages equal to 6 x WBA[3]	
NE	13 [2, 7]		Equal[7]
NV		Wages equal to WBA in each of 10 weeks[4]	
NH		5 weeks of work in each of which earned 20% more than WBA[8]	
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[3]	10 x WBA earned in at least 5 weeks[3]	X[3]
ND		8 x WBA	
OH		6 weeks in covered work and wages equal to 27.5% of AWW[2, 9]	

Table 5-8: VOLUNTARILY LEAVING - DISQUALIFICATION			
State	Benefits Postponed for:		Amount of Benefits Reduced
	Number of Weeks	Weeks and/or Wages to Requalify [1]	
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[2]	
TN		10 x WBA[2]	
TX		6 weeks of work or wages equal to 6 x WBA[7]	
UT		6 x WBA[2]	
VT	X[10]	6 x WBA	
VA		30 days or 240 hours of work[2]	
VI		4 weeks of work and 4 x WBA	
WA		7 weeks and earnings in bona fide work of 7 x WBA	
WV		At least 30 working days of covered employment	Equal
WI	X[10]	7 weeks and 14 x WBA	Wage credits from employer removed from the claim
WY		8 x WBA	

KEY: W = Week of separation, WF = Week of filing
"Equal" indicates reduction equal to WBA multiplied by number of weeks of disqualification.

[1] Minimum employment or wages to requalify for benefits.
[2] 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).
[3] **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 3 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 5 weeks, with a corresponding reduction in total benefits; if an employer gives notice of future work separation, disqualification of 4 weeks imposed if individual establishes good cause for his or her failure to work out the notice.
[4] **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.
[5] Individual must work for a liable employer and become unemployed through no fault of his or her own.
[6] $2,400 in 4-quarter base period or 5.3 percent of state's AAW rounded down to next lower $100, whichever is higher.
[7] **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.
[8] Requirement to earn requalifying wages does not apply to individuals who become unemployed after leaving work to accept better employment.
[9] If individual left work for compelling domestic circumstances, can requalify by earning the lesser of ½ of AWW or $60 in covered employment.
[10] **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.

DISCHARGE FOR MISCONDUCT CONNECTED WITH THE WORK

Discharge for misconduct (which may be called a discharge for "just cause" or "a disqualifying act") provisions for disqualification 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. (See "Disqualifications for Gross Misconduct" immediately following this section.)

Detailed interpretations of what constitutes misconduct have been developed in each state's benefit decisions. 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. Some of the areas addressed more specifically in state laws include:

- 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;
- absence from work due to incarceration or violation of a law related to employment.

Kentucky law provides that a legitimate activity in connection with labor organizations or failure to join a company union shall not be construed as misconduct.

Wyoming law provides that misconduct does not include ordinary negligence in isolated instances, good faith errors in judgment or discretion, or inefficiency or failure in good performance as the result of inability or incapacity.

ILLEGAL DRUG AND ALCOHOL PROVISIONS—The following table includes information about states with provisions in their UI law dealing specifically with alcohol and/or illegal drugs, and testing for alcohol or illegal drugs.

Table 5-9: STATES WITH DRUG AND/OR ALCOHOL PROVISIONS	
State	**Workers Will Be Disqualified:**
AL	For 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	For 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	For refusing to undergo drug or alcohol testing, or having tested positive for drugs or alcohol
AR	For 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	For 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
FL	For drug use, as evidenced by a positive, confirmed drug test
GA	For violating an employer's drug-free workplace policy
IL	For 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
KY	For reporting to work under the influence of drugs/alcohol, or consuming them on employer's premises during working hours
LA	For the use of illegal drugs, on or off the job
MI	For 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	For any drug/alcohol use; positive pre-employment drug/alcohol test is considered misconduct
NH	For intoxication or use of drugs that interferes with work
OK	For refusing to undergo drug or alcohol testing, or having tested positive for drugs or alcohol
OR	For failure or refusal 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	For failure 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	For failure or refusal to take a drug test or submitting to a drug test which tests positive for illegal drugs or legal drugs used unlawfully
WV	For 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	For drug use, as evidenced by a positive, confirmed USDOT qualified drug screen conducted in accordance with the employer's bona fide drug policy

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 state laws require consideration of the reasons for separation from employment other than the most recent.

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.

PERIOD OF DISQUALIFICATION—Some states have a variable disqualification for discharge for misconduct. In some states the range is small, in others, the range is large. Some states provide a fixed disqualification, and others disqualify for the duration of the unemployment or longer. Some states reduce or cancel all of the individual's benefit rights. Some states provide for disqualification for disciplinary suspensions.

Table 5-10: DISCHARGE FOR MISCONDUCT - DISQUALIFICATION

State	Includes Other Than Last Employer	Benefits Postponed for:		Benefits Reduced or Canceled	Disqualification for Disciplinary Suspension
		Number of Weeks	Duration of Unemployment Until Requalify[1]		
AL	X[2]		10 x WBA	Equal	W + 1-3
AK		W + 5[3]		3 x WBA	Same as discharge for misconduct
AZ			5 x WBA		
AR			30 days covered employment[4]		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[2]	WF + 7[3]	8 weeks of work and 8 x WBA	8 x WBA	
FL	X[2]	W + 1-52[3]	17 x WBA		Duration
GA			10 x WBA	Equal	Same as discharge for misconduct
HI			5 x WBA		
ID	X[2]		14 x WBA		
IL			Wages equal to WBA in each of 4 weeks		
IN			Wages in each of 8 weeks and wages ≥ 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		
ME			8 x WBA		Duration or until earns 4 x WBA
MD	X[2]	W + 10-15			Same as discharge for misconduct
MA	X[2]		8 weeks of work and wages of 8 x WBA		
MI			17 x WBA		
MN			One-half of amount required to establish benefit account[4]		Duration

Table 5-10: DISCHARGE FOR MISCONDUCT - DISQUALIFICATION					
State	Includes Other Than Last Employer	Benefits Postponed for:		Benefits Reduced or Canceled	Disqualification for Disciplinary Suspension
		Number of Weeks	Duration of Unemployment Until Requalify[1]		
MS			8 x WBA		
MO	X[2]		6 x WBA for each disqualifying separation		Same as discharge for misconduct
MT			Wages equal to 8 x WBA		
NE	X[2]	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[2]	W + 5			Same as discharge for misconduct
NM			5 x WBA in covered work		
NY			3 days work in each of 5 weeks and 10 x WBA		
NC		X[3]	10 x WBA in at least 5 weeks	X[3]	
ND	X[2]		10 x WBA		Duration
OH	X[2]		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[2]		8 x WBA		Same as discharge for misconduct
SC		WF + 20[5]		Equal	
SD	X[2]		6 weeks in covered work and wages equal to WBA each week		Same as discharge for misconduct
TN	X[2]		10 x WBA		
TX			6 weeks of work or wages equal to 6 x WBA		
UT	X[2]		6 x WBA in covered work		
VT		WF + 6-15			
VA	X[2]		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[2]	W + 6		Equal[6]	
WI			7 weeks elapsed and 14 x WBA	Benefit rights based on any work involved canceled	

Table 5-10: DISCHARGE FOR MISCONDUCT - DISQUALIFICATION					
State	Includes Other Than Last Employer	Benefits Postponed for:		Benefits Reduced or Canceled	Disqualification for Disciplinary Suspension
		Number of Weeks	Duration of Unemployment Until Requalify[1]		
WY			12 x WBA		

KEY: W = Week of discharge or week of suspension, WF = Week of filing
"Equal" indicates a reduction equal to the WBA multiplied by the number of weeks of disqualification.

[1] Minimum employment or wages to requalify for benefits and separated through no fault of his or her own.
[2] 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.
[3] **AK -** the disqualification is terminated if individual returns to work and earns 8 x WBA; **DC -** disqualification is terminated if either condition is satisfied; **FL -** both the term and the duration-of-unemployment disqualifications are imposed; **NC -** the agency may reduce permanent disqualification to time certain, but not less than 5 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.
[4] $2,400 in 4-quarter base period or 5.3 percent of state's AAW rounded down to next lower $100, whichever is higher.
[5] 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.
[6] Benefit reduction is restored if individual returns to covered employment for at least 30 days within BY.

DISQUALIFICATION FOR GROSS MISSCONDUCT—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 such terms as:

- Discharge for dishonesty or an act constituting a crime or a felony in connection with the work, if such individual is convicted or signs a statement admitting the act.
- Discharge for a dishonest or criminal act in connection with the work.
- 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.
- 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.
- Assault, theft, or willful destruction of property.

- Any act that would constitute a gross misdemeanor or felony.
- A disciplinary suspension is included in the definition of gross misconduct.

Table 5-11: STATES WITH GROSS MISCONDUCT PROVISIONS – DISQUALIFICATION

State	Includes Other Than Last Employer	Benefits Postponed For:			Benefits Reduced or Canceled
		Fixed Number of Weeks	Variable Number of Weeks	Duration of Unemployment Until 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	
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]	
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			W + 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		W + 51			All wage credits from the separating employer are canceled

Table 5-11: STATES WITH GROSS MISCONDUCT PROVISIONS – DISQUALIFICATION					
State	Includes Other Than Last Employer	Benefits Postponed For:			Benefits Reduced or Canceled
		Fixed Number of Weeks	Variable Number of Weeks	Duration of Unemployment Until Requalify	
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: W = Week of discharge, 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.

DRUG TESTING AS A CONDITION OF ELIGIBILITY

The Middle Class Tax Relief and Job Creation Act of 2012 (Pub. L. 112-96) amended Federal law to permit 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 if s/he 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 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.

NONMONETARY ELIGIBILITY

LABOR DISPUTES

Unlike many other eligibility provisions, those 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 geared to 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.
- Disputes where the employees are protesting substandard working conditions.

LOCATION OF THE DISPUTE—Usually an individual is not denied benefits unless the labor dispute is in the establishment in which the individual was last employed. Exceptions to this are found in the following states:

- Idaho – omits this provision.
- North Carolina, Oregon, Texas, and Virginia – deny individuals at any other premises operated by the employer if the dispute makes it impossible for the employer to conduct work normally at such premises.
- Michigan – deny at any establishment within the United States functionally integrated with the striking establishment or owned by the same employing unit.

PERIOD OF DENIAL—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.

A few state laws 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 2 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 2 weeks.

- In New Hampshire, the denial ends 2 weeks after the dispute is 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, he or she 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 7 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.

Table 5-12: LABOR DISPUTES - PERIOD OF DENIAL AND WORKERS EXCLUDED

	Duration of Denial			Disputes Excluded if Caused by:			Workers Not Denied if Neither They Nor Any of the Same Grade or Class Are:		
				Employer's Failure to Conform to:					
State	During Stoppage of Work	While Dispute Is in Active Progress	Other	Contract	Labor Law	Lockout	Participating In Dispute	Financing Dispute	Directly Interested in Dispute
AL		X							
AK	X			X	X		X		X
AZ			X[1]	X	X		X	X	X
AR			X			X	X		X
CA		X				X[2]			
CO			X			X[3]	X	X	X
CT			X[1]			X	X	X	X
DE	X					X			
DC		X				X	X		X
FL		X				X	X	X	X
GA	X[4]					X	X	X	X
HI	X						X		X
ID			X[1]				X	X[5]	X
IL	X					X[3]	X	X	X
IN			X[6]				X	X	X
IA	X						X	X	X
KS	X						X[6]	X	X[6]

Table 5-12: LABOR DISPUTES - PERIOD OF DENIAL AND WORKERS EXCLUDED									
	Duration of Denial			Disputes Excluded if Caused by:			Workers Not Denied if Neither They Nor Any of the Same Grade or Class Are:		
				Employer's Failure to Conform to:		Lockout			
State	During Stoppage of Work	While Dispute Is in Active Progress	Other	Contract	Labor Law		Participating In Dispute	Financing Dispute	Directly Interested in Dispute
KY		X				X			
LA		X				X	X[5]		X[5]
ME	X			X	X	X	X	X	X
MD	X					X	X	X	X
MA	X[4]					X	X	X	X
MI			X			X[7]			
MN		X		X	X	X	X[8]		X[8]
MS	X					X	X		X
MO	X						X	X	X
MT			X[1]		X		X	X	X
NE	X						X	X	X
NV		X					X	X	X
NH	X			X	X		X	X	X
NJ	X					X[9]	X	X	X
NM			X[1]				X		X
NY			X			X[10]			
NC			X						
ND			X[1]				X		X
OH			X[1]			X			
OK	X					X	X		X
OR		X[3]		X		X	X	X	X
PA	X					X	X		X
PR	X						X		X
RI			X[1]			X	X[5]	X[5]	X[5]
SC		X					X	X[5]	X
SD			X[1]			X	X	X	X
TN		X[3]				X	X		
TX	X[6]					X[2]	X[6]	X[6]	X[6]
UT	X[3]				X	X[2]			X
VT	X					X[4]	X[5]	X[5]	X[5]
VA		X	X				X	X	X
VI		X				X	X		X
WA			X[1]				X	X	X

Table 5-12: LABOR DISPUTES - PERIOD OF DENIAL AND WORKERS EXCLUDED

	Duration of Denial			Disputes Excluded if Caused by:			Workers Not Denied if Neither They Nor Any of the Same Grade or Class Are:		
				Employer's Failure to Conform to:		Lockout			
State	**During Stoppage of Work**	**While Dispute Is in Active Progress**	**Other**	**Contract**	**Labor Law**		**Participating In Dispute**	**Financing Dispute**	**Directly Interested in Dispute**
WV	X[4]			X[11]		X	X	X	X
WI		X				X			
WY	X						X	X	X

[1] As long as unemployment is caused by the existence of a labor dispute.
[2] By judicial construction of statutory language.
[3] 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 7 days during the 21 calendar days immediately prior to the dispute, or if his or her 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.
[4] Disqualification ceases: **GA** - when operations have been resumed but individual has not been reemployed; **MA** - within 1 week following termination of dispute if individual is not recalled to work; **WV** - if the stoppage of work continues longer than 4 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.
[5] Applies only to individual, not to other workers of the same grade or class.
[6] 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.
[7] Only if unemployment is caused by lockout in another, functionally integrated U.S. establishment of the same employer.
[8] Disqualification limited to 1 week for individuals neither participating in nor directly interested in dispute.
[9] 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.
[10] 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.
[11] Denial is not applicable if workers are required to accept wages, hours, or other conditions substantially less favorable than those prevailing in the locality or are denied the right of collective bargaining.

NONSEPARATIONS

ABILITY TO WORK—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. Evidence of ability to work is the filing of claims and registration for work at a public employment office, required under most state laws. Missouri goes one step further requiring, by law, every individual receiving benefits to report to the nearest office in person at least once every 4 weeks.

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, so long as 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.

AVAILABILITY FOR WORK—Availability for work is often translated to mean being ready, willing, and able to work. Meeting the requirement of registration for work at a public employment office is considered as

some evidence of availability. Nonavailability may be evidenced by substantial restrictions upon the kind or conditions of otherwise suitable work that an individual can or will accept, or by the refusal of a referral to suitable work made by the employment service, or of an offer of suitable work made by an employer.

The availability-for-work provisions are more varied than the ability-to-work provisions. Some states provide that an individual must be available for 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.

The following table indicates the states in which individuals are not ineligible due to illness or disability (occurring after the claim is filed and after registering for work) as long as no refusal of suitable work occurs after the beginning of the illness or disability.

Table 5-13: STATES WITH SPECIAL PROVISIONS FOR ILLNESS OR DISABILITY			
Alaska[1]	Delaware	Hawaii	Idaho[2]
Massachusetts[3]	Nevada	North Dakota[4]	Tennessee
Vermont			

[1] Waiver may not exceed 6 consecutive weeks
[2] Only if no suitable work was available that would have paid wages greater than one-half of the individual's WBA
[3] Provision applicable for 3 weeks only in a benefit year
[4] Only if illness not covered by workers' compensation

VACATION—Georgia, Indiana, and West Virginia specify the conditions under which individuals on vacation are deemed unavailable or unemployed. Georgia limits to 2 weeks in any calendar year the period of unavailability of individuals who are not paid while on a vacation provided in an employment contract or by employer-established custom or policy. Mississippi considers an individual unavailable for work during a holiday or vacation period. In North Carolina no individual shall be considered available for work for any week, not to exceed 2 weeks in any calendar year, in which the unemployment is due to a vacation. In Indiana, an individual is not considered unemployed if he or she 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 Nebraska and New Jersey, no individual is deemed unavailable for work solely because he or she 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.

Other provisions relating to eligibility during vacation periods, although not specifically stated in terms of availability, exist in Virginia, where individuals 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. 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.

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.

In Minnesota, vacation pay will not delay unemployment benefit eligibility to an applicant who has been indefinitely laid off due to lack of work as a result of adverse trade impacts and is not expected to be recalled within 6 months by the employer from which the applicant was laid off. This section does not apply to seasonal workers nor does it apply to temporary, indefinite, or seasonal separations.

LOCALITY—Alabama, Michigan, Ohio, and South Carolina require that individuals be available for 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 for work if they leave their normal labor market area for the major portion of a week unless the individual can establish that s/he conducted a bona fide search for work in the labor market area where s/he spent the major part of the week.

In Wisconsin, an individual is not considered available for work in any week in which s/he is located 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 3 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 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.

AVAILABILITY DURING 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. Also, all state laws must 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. In addition, the state law must provide that individuals in training not be held ineligible or disqualified for being unavailable for work, for failing to make an active search for work, or for failing to accept an offer of, or for refusal of, suitable work.

Federal law does not specify the criteria that states must use in approving training. Although some state laws have set forth the standards to be used, many do not specify the types of training that are approvable. 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 concerning programs for extended duration.

While in almost all states the participation of individuals in approved training courses is voluntary, in the District of Columbia and Washington an individual may be required to attend such training.

In Oregon, individuals who do not attend their approved training during a particular week will be required to meet regular eligibility requirements for that week.

AVAILABILITY FOR 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. Please note that

considerable differences may exist between states with entries in the same column. The American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) resulted in changes to some states' laws as they modernized their unemployment compensation programs. The following table does not align with the requirements established by Pub. L. 111-5.

Table 5-14: STATES WITH AVAILABILITY OF PART-TIME WORKERS PROVISIONS
States That Pay Benefits To Part-Time Workers Under Certain Conditions

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		
IL			R	Only if part-time work is suitable because of 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		

Table 5-14: STATES WITH AVAILABILITY OF PART-TIME WORKERS PROVISIONS States That Pay Benefits To Part-Time Workers Under Certain Conditions				
State	**If Otherwise Eligible**	**Claim Based on Part-Time Work, or History of Part-Time Work**	**Medical Restrictions or Restrictions Due to Disabilities**	**Other**
SC		L[1]		
SD		L[1]		
UT			R	
VT		I		
VA			I	
VI	L			
WA		L, R		
WY		R	R	

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

[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 his or her 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.

Michigan and West Virginia require that an individual be available for full-time work. Pennsylvania considers an individual ineligible for benefits for any week in which his or her unemployment is due to failure to accept an offer of suitable full-time work to pursue seasonal or part-time work. New Hampshire requires that an individual be available for and seek temporary work, whether full-time or part-time, if permanent work for which the individual is qualified is not immediately available within the individual's labor market area, if the individual is reasonably expected to be recalled in 4 to 26 weeks, and if the wages, hours, and other conditions of the temporary work are not substantially less favorable than those prevailing for similar temporary or permanent work in the locality.

Note: Since most state laws do not specify whether the individual must be available for full-time or part-time work, the previous table should be used with caution.

ACTIVELY SEEKING WORK—In addition to registration for work at a local employment office, all states, whether by law or practice, require that an individual be actively seeking work or making a reasonable effort to obtain work. The Middle Class Tax Relief and Job Creation Act of 2012 (Pub. L. 112-96) added an explicit statutory requirement to Federal law that individuals must be able to work, available for work, and actively seeking work to be eligible for regular unemployment compensation. The following table contains information on work search requirements and the necessity of searching for full-time or part-time work, by state. In some

states, the required number of employer contacts may vary under certain circumstances, for example, during an EB period or depending on rural or urban area. 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. Please consult the appropriate state statute, regulation, or policy for more specific information on work search requirements.

Because states may not deny benefits to an individual in approved training, all states provide an exemption from the requirements to be able and available for work and conducting 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 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, is an STC participant, has a compelling personal reason, is in a labor dispute with the employer, is the victim of domestic violence, or labor market or other information indicates no suitable employment.

Table 5-15: WORK SEARCH REQUIREMENTS

State	Basis	Number of Employers Contacts Required per Week	Part-Time Work Search Acceptable
AL	L & R	≥1	
AK	L, R, & I	1 – 2[1]	X
AZ	L, R, & I	4[2]	
AR	L & R	≥2[1]	X[3]
CA	L, R, & I	Agency determined	
CO	L & R	1 - 5[1, 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[5]	X[3]
KS	L, R, & I	1[4]	X[3]
KY	L & I	Unspecified – reasonable person	
LA	L, R, & I	3 - new, 1 - union members	
ME	L & R	≥1	
MD	L, R, & I	≥2 new	X[3]
MA	L & I	≥3[6]	X[2]
MI	L & I	≥2	
MN	L, R, & I	Unspecified	X[3]
MS	L & R	3	

Table 5-15: WORK SEARCH REQUIREMENTS			
State	**Basis**	**Number of Employers Contacts Required per Week**	**Part-Time Work Search Acceptable**
MO	L & I	2 – 3[1]	
MT	L & R	≥1 new	
NE	R & I	≥ 5[2, 4]	X[3]
NV	L & I	3 – 5[1]	X[3]
NH	L, R, & I	Unspecified – reasonable person	X
NJ	R	≥3[4]	X[3]
NM	L & R	≥2	X[3]
NY	L & R	≥3[4]	X[3]
NC	L	≥5	
ND	L	4	X[3]
OH	L & I	2	X[3]
OK	L, R, & I	≥2[4]	X[3]
OR	L, R, & I	5[2]	X
PA	L & R	2 applications and 1 search activity[5]	X[2]
PR	L	1	X[3]
RI	L, R, & I	≥3	
SC	L	≥4[2, 4]	X[3]
SD	L, R, & I	2[4]	X[3]
TN	L & R	≥3[4]	
TX	L, R, & I	3[7]	
UT	L, R, & I	4	
VT	L, R, & I	3	X
VA	L, R, & I	≥2	X
VI	R	≥3	
WA	L & R	≥3[4]	X[3]
WV	L,R, & I	Unspecified[1]	
WI	L&R	≥4[7]	
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** and **SC** require 1 through the state system.
[5] May be adjusted.
[6] Domestic violence accommodations.
[7] Agency may increase or direct.

The vast majority of states allow claimants to contact potential employers in person, over the telephone, through standard mail, through electronic means like fax or email, by filling out on-line applications, submitting

resumes on-line, or through an employment agency. Additionally, several states allow for more varied forms of employer contact including: responding to job advertisements, uploading a resume to an on-line job market website, attending a job fair, taking a civil service test, participating in state reemployment services, or registering with a private employment services organization. In some states, union members are required to register with their appropriate local union hall.

Table 5-16: Work Search - Reporting and Monitoring

State	Basis	Claimant Reporting of Work Search Activities		Frequency of Monitoring
		Frequency	Method of Reporting	
AL	L & R	Weekly	Eligibility review	Random eligibility review
AK	L, R, & I	Weekly	Paper, phone, or internet	At random by Quality Control Unit
AZ	L, R, & I	Weekly	Paper or internet	Each weekly claim
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 audits
CT	L, R, & I	Weekly	Part of audit	Random or targeted audits
DE	L & R	Weekly	Part of weekly claim	Random audits
DC	L & R	With continued claim	Part of continued claim	Through normal BAM compliance
FL	L & R	Bi-weekly with continued claim	Part of continued claim	Random weekly audits
GA	L, R, & I	Weekly	Online or fax	Unspecified
HI	L & R	Weekly	Telephone survey questions	Incomplete work search triggers REA or eligibility review
ID	L & R	Weekly	Online with continued claim	Random or targeted audits
IL	L, R, & I	Upon request	In writing	Unspecified
IN	L & I	Weekly	With weekly claim	Unspecified
IA	L, R, & I	Able to report with continued claim, but not required	Upon request	During REA assessment and BAM audits
KS	L, R, & I	Weekly	Upon request	BAM audits
KY	L & I	Weekly	Upon request	Random eligibility review
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 audits or BAM audits

Table 5-16: Work Search - Reporting and Monitoring				
State	Basis	Claimant Reporting of Work Search Activities		Frequency of Monitoring
		Frequency	Method of Reporting	
MD	L, R, & I	Weekly	Upon request	Random telephone interview
MA	L & I	Weekly	Upon request	Random audit or REA
MI	L & I	Monthly	Online, mail, in-person	Random audit by BAM staff
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 reviews
MT	L & R	Weekly	Weekly claim	Random audits and BAM
NE	R & I	Weekly	Online	Random audit
NV	L & I	Weekly	Contact log	REA, random audit
NH	L, R, & I	Weekly	Part of weekly claim	REA or eligibility review
NJ	R	Bi-weekly	Telephone, online, or by mail.	Random weekly audits, BAM
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 and BAM
OK	L, R, & I	Weekly	Upon request by mail, fax, or online	Random audit
OR	L, R, & I	Weekly	With continued claim	REA
PA	L & R	Weekly	Upon request	Random audit
PR	L	Weekly	Upon request	Unspecified
RI	L, R, & I	Weekly	Upon request	REA
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 audits
TX	L, R, & I	Weekly	Upon request	Random audits
UT	L, R, & I	Weekly	With weekly continued claim	Random audits, REA, and worker profiling

Table 5-16: Work Search - Reporting and Monitoring				
State	Basis	Claimant Reporting of Work Search Activities		Frequency of Monitoring
		Frequency	Method of Reporting	
VT	L, R, & I	Weekly	With weekly continued claim, online	Random audits
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 and REA screening
WI	L & R	Weekly	Upon request	Random audits
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; BAM = Benefit Accuracy Measurement; REA = Reemployment Eligibility Assessment				

REFUSAL OF WORK—All state laws address refusal of suitable work, though they vary concerning the extent of the disqualification imposed. FUTA provides that all state laws must also consider the labor market and certain labor standards. Specifically, benefits will not be denied to an otherwise eligible individual for refusing to accept new work if:

- 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—All states look at whether the work refused was suitable. When state laws list the criteria for suitability, they usually address 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. Delaware and New York make no reference to the suitability of work offered but provide for disqualification for refusals of work for which an individual is reasonably fitted. South Carolina specifies that whether work is suitable must be based on a standard of reasonableness as it relates to the particular individual involved.

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 necessitous and 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 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.

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 his or her previous employer. 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. In Wisconsin, an individual has good cause during the first 6 weeks of unemployment for refusing work at a lower grade of skill or significantly lower rate of pay than one or more recent jobs. 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.

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 his or her 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. In New York, 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.

Drug Testing Issues—In Arizona, Arkansas, Indiana, South Carolina, and Tennessee, 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.

Duration of Unemployment—A few states provide for changing the definition of suitable work as the duration of the individual's unemployment grows. The suitability of the offered wage is the factor states have chosen to alter. For example, Florida requires the agency, in developing rules to determine the suitability of work, to consider the duration of the individual's unemployment and the wage rates available. In addition, 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.

Idaho law merely 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. Louisiana will not disqualify an individual for refusing suitable work if the offered work pays less than 60 percent of the individual's highest rate of pay in the base period. 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 his or her customary occupation. Wyoming applies the refusal-of-suitable work disqualification if, after 4 weeks of unemployment, the individual fails to apply for and accept suitable work other than in his or her customary occupation offering at least 50 percent of the compensation earned in his or her previous occupation.

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.

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 5 weeks of unemployment; 2) 75 percent from the 6th through the 12th week of unemployment; 3) 70 percent from the 13th through the 18th week of unemployment; and 4) 65 percent after the 18th week of unemployment. No individual, however, is required to accept a job paying below the Federal minimum wage. Tennessee uses a similar percentage reduction system for suitable wage but the numbers of weeks required for each period of unemployment are different.

After 10 weeks of unemployment, Maine no longer considers the individual's prior wage in determining whether work is suitable. After 8 weeks of unemployment, Mississippi law specifies that work is suitable 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 his or her previous customary insured work, but not less than the Federal minimum wage. After 10 weeks of unemployment, North Carolina considers any employment offer paying 120 percent of the individual's weekly benefit amount to be suitable work. 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 his or her residence.

In Michigan, 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 his or her 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 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.

Period of Disqualification—Some states disqualify for a specified number of weeks any individual who refuses suitable work, while other states postpone benefits for a variable number of weeks.

More than half of the states disqualify, for the duration of the unemployment or longer, individuals who refuse suitable work. Most of these states specify an amount that the individual must earn or a period of time the individual must work to remove the disqualification.

The relationship between availability for work and refusal of suitable work is explained in the discussion of availability earlier in this chapter. Wisconsin's provisions for suitable work recognize this relationship by stating: "If the commission determines that . . . a failure to accept suitable work has occurred with good cause, but that the employee is unable to work or unavailable for work, he shall be ineligible for the week in which such failure occurred and while such inability or unavailability continues."

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 5-17: REFUSAL OF SUITABLE WORK – DISQUALIFICATION			
State	Benefits Postponed for –		Benefits Reduced
	Number of Weeks	Weeks and/or Wages to Requalify [1]	
AL	W + 1 - 10		
AK	W + 5		3 x WBA
AZ		8 x WBA	
AR		At least 30 days of covered work	
CA	W + 1 - 9[2]		
CO	W + 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	W + 1 - 5[3]	17 x WBA[3]	Optional
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 ≥ 8 x WBA	1st refusal - 75%; 2nd - 85%; 3rd - 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	W + 5 - 10[3]	10 x WBA	
MA	W + 7		Up to 8 weeks
MI	W + 13		Equal in current BY[3]
MN	W + 7		
MS	W + 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	W + 3		
NM		5 x WBA	Equal

Table 5-17: REFUSAL OF SUITABLE WORK – DISQUALIFICATION

State	Benefits Postponed for –		Benefits Reduced
	Number of Weeks	Weeks and/or Wages to Requalify [1]	
NY		10 x WBA	
NC	X[5]	10 x WBA earned in at least 5 weeks	X[5]
ND		10 x WBA	
OH		6 weeks in covered work + wages equal to 27.5% of state AWW	
OK		10 x WBA[6]	
OR		4 x WBA	8 x WBA
PA		X[7]	
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	W + 4[8]		Equal
WI		6 x WBA	
WY		8 x WBA	

KEY: W = Week of refusal "Equal" indicates reduction equal to WBA multiplied by number of weeks of disqualification.

[1] Minimum employment or wages required to requalify for benefits.
[2] **CA -** must be weeks in which individual meets reporting and registration requirements. Also, agency may add 1-8 weeks for successive disqualification.
[3] **FL -** both term and duration of unemployment disqualifications are imposed. Aliens who refuse resettlement or relocation employment are disqualified 1-17 weeks, or reduction by not more than 5 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.
[4] Individual must work for a liable employer and become unemployed through no fault of his or her own.
[5] 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 5 weeks, with a corresponding reduction in benefits (weeks of disqualification x WBA).
[6] 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.
[7] Until an individual obtains work not of a casual or temporary nature; however, if work refused was casual or temporary, then disqualification is for an equal period of time.
[8] Plus such additional weeks as offer remains open.

NONMONETARY ELIGIBILITY

SPECIAL GROUPS

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

STUDENTS—Most states exclude from coverage service performed by students for educational institutions. 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 others, it is during school attendance or during the school term.

Many states disqualify individuals during school attendance and some states extend the disqualification to vacation periods.

Table 5-18: 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, ineligible 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, ineligible 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, ineligible 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[2]

Table 5-18: 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**
ID	Yes	Yes, unless attending approved training[1]	IL	Yes, unless Trade Act training	Yes, ineligible 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, eligible if school attendance does not interfere with ability to accept suitable work
KS	Yes, unless Trade Act training	Yes, disqualified, 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, ineligible, including vacation periods, unless student loses job while in school and is available for suitable work[1]	ME	Yes	Yes, disqualified unless student is available for full-time work while in school, or would leave school for full-time work, or is in approved training
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[3]
MI	Yes[1]	Yes, ineligible unless student agrees to quit school/change class schedule to accept work, or is in approved training	MN	Yes, unless entering approved training	Yes, ineligible unless willing to quit school, except for approved training[1]
MS	Yes	No, provided school hours do not interfere with availability for full-time work	MO	Yes	Yes, ineligible 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 s/he meets general eligibility requirements	NE	Yes	Yes, disqualified 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 his or her services
NJ	Yes, except for approved training	Yes, disqualified, including vacation periods, unless student earned wages sufficient to qualify for benefits while attending school[1]	NM	Yes	Yes, ineligible except if school attendance was not a factor in the job separation and as long as the student is available and seeking at least part-time work (even if currently working part time)[1, 4]
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, disqualified 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]

Table 5-18: 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**
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[3]	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, disqualified unless hours of school do not interfere with hours of work in student's occupation	SC	Yes	No, not disqualified 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, ineligible if determined principally occupied as a student	TN	No	No, unless school attendance interferes with availability for suitable work
TX	Yes[1]	Yes, eligible if willing to quit school or change class schedule to accommodate full-time work[1]	UT	Yes[3]	No, disqualified when school attendance is a restriction to availability for full-time suitable work, unless in an approved training program[3]
VT	Yes	Yes, if claim is based on part-time employment and student remains available for part-time work while attending school	VA	Yes[5, 6]	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, disqualified 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, disqualified 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 specifically mention students.
[2] Must be available for work and willing to quit school, except for approved training.
[3] Regulations specifically mention students.
[4] Full-time students ineligible for benefits unless able, available, and actively seeking full-time or part-time work. Does not apply to workers in approved vocational training programs.
[5] Based upon case law.
[6] Includes rebuttable presumption that graduate students working only between semesters quit to return to school.

SCHOOL PERSONNEL—FUTA requires states to deny benefits 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 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 between terms denial also applies to vacation or holiday periods within school years or terms.

FUTA permits a state, at its option, to deny benefits 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 the three types previously described) 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.

PROFESSIONAL ATHLETES—FUTA requires states to deny benefits 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. The term "athlete" may 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. Whether the denial is extended to these other groups is a state option.

ALIENS—FUTA requires denial of benefits to certain aliens. Benefits may not be paid based on service performed by an alien unless the alien is one who: (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.)

To avoid discriminating against certain groups in the administration of this provision, Federal law requires that the information designed to identify ineligible aliens must be requested of all individuals. Whether or not the individual is in satisfactory immigration status is determined by a preponderance of the evidence.

DEDUCTIBLE INCOME

Almost all state laws provide that an individual will not receive UI for any week during which s/he is receiving or is seeking benefits under any Federal or other state UI law. A few states specifically mention benefits under the Federal Railroad Unemployment Insurance Act. Under most of the laws, no disqualification is imposed if it is finally determined that the individual is ineligible under the other law. 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.

Most states have statutory provisions that an individual is ineligible for any week during which s/he 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.

WAGES IN LIEU OF NOTICE AND DISMISSAL PAYMENTS—A considerable number of states consider wages in lieu of notice to be deductible income. Many states have the same provision for receipt of dismissal payments as for receipt of wages in lieu of notice. The state 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. To the extent that dismissal payments are included in taxable wages for contribution purposes, individuals receiving such payments may be considered not unemployed, or not totally unemployed, for the weeks concerned. Some states have so ruled in attorney general opinions and benefit decisions.

However, under rulings in some states, individuals who received dismissal payments have been held to be unemployed because the payments were not made for the period following their separation from work but, instead, with respect to their prior service.

Table 5-19: STATES WITH WAGES IN LIEU OF NOTICE AND DISMISSAL PAYMENTS PROVISIONS

State	Wages	Dismissal	State	Wages	Dismissal	State	Wages	Dismissal
AK	R	R	AZ	D (not considered unemployed)		AR	R	R
CA	R: By interpretation		CO	R	L: Benefits postponed for number of weeks equal to total amount of additional remuneration divided by usual weekly wage	CT	D	D: Not applicable to severance or accrued leave pay based on service for the Armed Forces
DE		R	DC		R	FL	R	D[1]
GA	D	D	IL	R: By regulation		IN	R: Excludes greater of first $3 or 1/5 WBA from other than base-period employer	
IA	R	R	KS		R	KY	R	
LA	R	R: But not less than 1 week for each week a base-period employer provided severance pay equaling or exceeding WBA	ME	R	R	MD	R	
MA	D		MI	R	R	MN	R	R
MO	R		NE	R	R	NV	D	D
NH	R	R	NJ	D		NM	R: by regulation	
NY		R[2]	NC	D	D	OH	R	R: Not applicable to severance or accrued leave pay based on service for the Armed Forces
PA		R[3]	RI		D[4]	SD	R	R
TN	D	D[5]	TX	D	D	UT	R	R

Table 5-19: STATES WITH WAGES IN LIEU OF NOTICE AND DISMISSAL PAYMENTS PROVISIONS								
State	**Wages**	**Dismissal**	**State**	**Wages**	**Dismissal**	**State**	**Wages**	**Dismissal**
VT	D	D	VA	R	R: Only when allocated by the employer to specific pay periods	WA	R	R[6]
WV	D		WI		R: Only when allocated by close of week, payable at full applicable wage rate, and individual had notice of allocation[7]	WY	D	D

R = weekly benefit reduced by weekly prorated amount of the payment D = all benefits denied for the week of receipt

[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 percent 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 s/he 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 state laws list workers' compensation under any state or Federal law as disqualifying income. Some disqualify for the week concerned; others 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 5-20: STATES WITH WORKERS' COMPENSATION PROVISIONS									
State		**State**		**State**		**State**		**State**	
AL	R	CA	R	CO	R	CT	D	DE	R
GA	D	ID	R	IL	R	IA	R	KS	D
LA	R	MA	D	MN	R	MO	R	MT	D
NE	R	NH	R	NY	R	OH	R	RI	R
SD	R	TN	D	TX	D	VT	D	VA	R
WA	D	WV	D	WI	R				

R = weekly benefit reduced by weekly prorated amount of the payment D = all benefits denied for the week of receipt

VACATION PAY, HOLIDAY PAY, AND BACK PAY—Many states consider individuals receiving vacation pay as not eligible for benefits; several states hold individuals eligible for benefits if they are on vacation without pay through no fault of their own. In practically all states, as under FUTA, vacation pay is

considered wages for contribution purposes – in a few states, in the statutory definition of wages; in others, in official explanations, general counsel or attorney general opinions, interpretations, regulations, or other publications of the state agency. Thus, an individual receiving vacation pay equal to his or her 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 5-21: STATES WITH HOLIDAY PAY, BACK PAY, AND VACATION PAY PROVISIONS

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

Table 5-21: STATES WITH HOLIDAY PAY, BACK PAY, AND VACATION PAY PROVISIONS							
State	**Holiday**	**Back Pay**	**Vacation**	**State**	**Holiday**	**Back Pay**	**Vacation**
KY		R: Benefits will be reduced 100% for overpayments caused by back pay award		LA			R
ME	R	X[1]	X[2]	MD	R: Not applicable to pay attributable to any period outside the terms of an employment agreement, which specifies scheduled vacation or holiday periods		R: Not applicable to pay attributable to any period outside the terms of an employment agreement, which specifies scheduled vacation or holiday periods
MA	D			MI	R	R	R
MN	R: 55% deducted as long as amount is less than WBA	R	R: Only applies if temporary or seasonal layoff, not if permanent separation	MS		D: Employer withholds amount of benefits paid and remits to UI agency	
MO	Reportable during week of holiday	R: Employer withholds amount of benefits paid and remits to UI agency	R	NV	Treated as wages the week in which it is paid	D: Employer withholds amount of benefits paid and remits to UI agency	D
NY	D	R	D	NM		R: By regulation	
NC		D: Employer withholds amount of benefits paid and remits to UI agency	D	ND	Reportable during week of holiday	Not reportable	Reportable when received unless individual takes vacation prior to layoff
OH			R	OR	May be deductible depending on circumstances		May be deductible depending on circumstances
PA	R	R	R: Only deductible if individual has a return to work date	PR			R
RI			R	SD	R		
TN		R		UT	R	R	R
VT		R	R	VA	Reportable during week of holiday	R	R

Table 5-21: STATES WITH HOLIDAY PAY, BACK PAY, AND VACATION PAY PROVISIONS							
State	**Holiday**	**Back Pay**	**Vacation**	**State**	**Holiday**	**Back Pay**	**Vacation**
WA	R: If assigned to the week claimed rather than accrued	Employer withholds amount of benefits paid and remits to UI agency	R: If assigned to the week claimed rather than accrued	WV	D	D	D: Except if individual is totally unemployed and if pay is accumulated prior to unemployment
WI	R: Only when allocated by close of such week, payable at full wage rate, and individual has notice[2]		R: Only when allocated by close of such week, payable at full wage rate, and individual has notice[3]	WY	D: Allocated to week the holiday occurs	R	D

R = weekly benefit reduced by weekly prorated amount of the payment D = benefits denied for the week of receipt

[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 s/he 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 s/he receives vacation pay in an amount exceeding the equivalent of 4 weeks' wages. However, if total amount of vacation pay is less than WBA, WBA will be reduced by the amount of vacation pay received.

RETIREMENT PAYMENTS—FUTA requires states to reduce the weekly benefit amount of any individual by the amount, allocated weekly, of any "governmental or other pension, retirement or retired pay, annuity, or any other similar periodic payment which is based on the previous work of such individual...." This requirement applies only to payments made under a plan maintained or contributed to by a base-period or chargeable employer that affected eligibility for or increased the amount of the retirement pay. 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. (This effectively means the FUTA requirement is limited to 100 percent employer-financed pensions.) Also, the requirement applies only to those payments made on a periodic (as opposed to lump-sum) basis. As a result, states may choose from a variety of options in creating a retirement pay provision. FUTA also 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.

Table 5-22: EFFECT OF RETIREMENT PAYMENTS							
State	**Deducts All BP Employer Pensions (51 States)**	**Considers Employee Contributions To Pensions**	**Excludes Pensions Not Affected By BP Work**	**State**	**Deducts All BP Employer Pensions (51 States)**	**Considers Employee Contributions To Pensions**	**Excludes Pensions Not Affected By BP Work**
AL	X	X	X	AK	X	X	X
AZ	X	X	X	AR	X	X	
CA	X	X	X	CO	X		
CT	X	X	X	DE	X	X	
DC	X	X		FL	X	X	X
GA	X	X	X	HI	X	X	X
ID	X[1]	X		IL	X[2]	X	
IN	X[3]			IA	X	X	X
KS	X	X	X	KY	X	X	X

Table 5-22: EFFECT OF RETIREMENT PAYMENTS

State	Deducts All BP Employer Pensions (51 States)	Considers Employee Contributions To Pensions	Excludes Pensions Not Affected By BP Work	State	Deducts All BP Employer Pensions (51 States)	Considers Employee Contributions To Pensions	Excludes Pensions Not Affected By BP Work
LA	X			ME	X	X	X
MD	X[4]	X		MA	X	X	X
MI	X	X	X	MN	X		
MS	X			MO	X		X
MT	X	X	X	NE	X	X[5]	
NV	X	X	X	NH	X	X	X
NJ	X	X	X	NM	X	X	
NY	X	X	X	NC	X		
ND	X	X	X	OH			
OK	X[5, 6]		X	OR	X	X	
PA	X	X	X	PR	X	X	X
RI	X	X	X	SC	X	X	
SD	X	X		TN	X	X	X
TX	X	X		UT	X		X
VT		X		VA	X[2]		
VI	X			WA	X	X	X
WV	X		X	WI	X	X	X
WY	X	X					

[1] Only reportable if 100 percent funded by employer.
[2] Deducted if base-period or chargeable employer.
[3] No deduction if individual uses distribution from pension, retirement, or annuity plan to satisfy a severe financial hardship resulting from an unforeseeable emergency that is due to events beyond individual's control.
[4] Excludes lump sums paid at time of layoff or shutdown of operations.
[5] By regulation.
[6] If individual is receiving monthly retirement payments that are required to be deducted from unemployment benefits, 7/30 of the monthly retirement payment will be deducted from each week of benefits.

EFFECT OF SOCIAL SECURITY PAYMENTS—Social Security payments are sometimes treated differently from retirement payments in general. In Minnesota, the amount of UI compensation is reduced by 50 percent if the claimant is collecting Social Security, unless the base period wages were earned while the claimant was already qualified to receive Social Security benefits.

SUPPLEMENTAL UNEMPLOYMENT PAYMENTS—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 UI and supplemental unemployment benefit payment amounting to a specified proportion of his or her weekly earnings while employed.

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

All states except New Mexico, Puerto Rico, South Carolina, and South Dakota permit supplementation by Ford-General Motors type plans without affecting UI payments.

In 48 states permitting supplementation, an interpretive ruling was made either by the attorney general (27 states) or by the employment security agency (ten states); in Maine, supplementation is permitted as a result of a Superior Court decision and, in the remaining ten states (AK, CA, CO, GA, HI, IN, MD, NH, OH, and VA), by amendment of the UI statutes.

Some supplemental unemployment benefit plans of the Ford-General Motors 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 UI 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 pensions and others have only two or three types. This does not necessarily allow benefits to all individuals in receipt of the types of payments concerned. When states do not pay benefits to such individuals, they rely upon the general able-and-available provisions or the definition of unemployment. Many individuals receiving workers' compensation, other than those receiving weekly allowances for dismemberment, are not able to work in terms of the UI 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.

CHAPTER 6

OVERPAYMENTS

IN GENERAL

This chapter deals with state law provisions that pertain to identifying, establishing, and collecting UI benefit overpayments. All states' laws have provisions addressing these matters. A state's law generally differs in the treatment of overpayments in which the individual is not at fault or is not committing fraud, and overpayments in which the individual has committed fraud or 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—Some states provide that, if the overpayment is without fault or fraud on the individual's part, the individual is not liable to repay the amount overpaid. The following table lists the states that waive certain nonfraud or nonfault overpayments.

TABLE 6-1: WAIVER OF NONFRAUD OR NONFAULT OVERPAYMENTS

State	Additional Information
AL	If overpayment not fault of individual, except if overpayment results from a back pay award or from Java decisions; when overpayment results from benefit payments based on exempt or non-covered wages erroneously reported by an employer
AK	If timely waiver request filed, received benefits in good faith, and repayment would be against equity and good conscience
AZ	If overpayment not fault of individual and repayment or reduction would either defeat the purpose of the law or be against equity and good conscience
AR	If overpayment not fault of individual and repayment would be against equity and good conscience
CA	If individual has change of position and extraordinary hardship
CO	Depending upon financial condition, future earnings potential, whether individual detrimentally changed position in reliance on overpaid benefits; if individual relinquished rights to other governmental benefits to which he/she would have been entitled; if repayment would be inequitable
CT	If individual died, can't secure full-time job because of health, overpaid by retrospective application of legislation change, appeal reversal and didn't receive adequate notice to repay benefits, reliance upon the receipt of benefits, administrative error, or overpayment equal to or greater than 2 x WBA at time overpayment determination made and annualized family income within last 6 months is ≤ 150% poverty level
DC	If overpayment not fault of individual and recovery of overpayment would place an extraordinary financial hardship on individual
FL	If overpayment is result of employer failure to respond timely to claim notice
GA	If timely waiver request filed; if overpayment not fault of individual; if repayment would be a financial hardship; if repayment is inequitable; and if the individual has no reasonable prospect of future employment nor ability to repay the overpayment in the future due to age, disability, or other good cause

TABLE 6-1: WAIVER OF NONFRAUD OR NONFAULT OVERPAYMENTS	
State	**Additional Information**
HI	If overpayment not fault of individual and recovery would be against equity and good conscience
ID	If departmental error or if employer misreported wages and individual could not have been reasonably expected to have recognized error
IL	If nonfault overpayment on individual's part, waiver is requested by individual, and if such recoupment would be against equity and good conscience; waiver may be denied with respect to any subsequent week if, in that week, the facts and circumstances upon which waiver was based no longer exist
IN	Benefits were the result of payments made during the pendency of an appeal before an administrative law judge or the review board under which the individual is determined to be ineligible for benefits, or because of an error by the employer or the department and repayment would cause economic hardship to the individual; this applies only to claims filed against non-reimbursable employers
IA	Benefits paid not as the result of fraud or willful misrepresentation, if the employer did not participate in the initial determination and overpayment occurred as a result of a subsequent reversal on appeal
KS	Extreme hardship or fault of the agency
LA	If overpayment not fault of individual and recovery would be against equity and good conscience
ME	If nonfault of individual and, upon Commission approval, recovery would defeat the purpose of benefits or would be against equity and good conscience
MD	If timely waiver request filed; if overpayment nonfraud on part of individual; if not fault of individual and overpayment caused by agency error; individual lacks ability to pay now and in foreseeable future, or is likely to be below the Federal minimum poverty level and is likely to remain there in foreseeable future
MA	If timely waiver request is filed; if overpayment not fault of individual and recovery would either defeat the purpose of benefits or would be against equity and good conscience
MI	If overpayment not fault of individual and repayment would be against equity and good conscience; any interest shall be waived; overpayment result of administrative/clerical error and individual is unable to pay due to indigence or financial hardship
MN	If an unemployment law judge's order allows benefits because of a quit or discharge, and the decision is reversed by the Minnesota Court of Appeals or the Supreme Court of Minnesota
MT	If timely waiver request is filed; if overpayment not fault of individual and involved no fraud; if recovery causes a long-term financial hardship; if overpayment result of incorrect monetary determination due to employer error; and if overpayment resulted from department errors
NV	If overpayment nonfraud and not fault of individual and recovery would be against equity and good conscience
NH	If overpayment nonfault of individual
NJ	If nonfault and individual is deceased, permanently disabled and no longer able to work, or the recovery of the overpayment would be patently contrary to principles of equity
NC	Upon finding of good cause
ND	If overpayment nonfraud and not fault of individual and recovery would be against equity and good conscience
OH	If typographical or clerical error in decision, or error in employer's report
OR	Change in Federal or state law, the application of which has caused the disqualification of benefits previously paid; if recovery would be against equity and good conscience; if nonfraud and benefits paid in error not due to fraud of individual or if decision of eligibility is reversed and amount of overpayment is less than ½ of the maximum WBA in effect at time overpayment discovered
RI	If overpayment not fault of individual and recovery would defeat purpose of UI law
SC	If timely waiver request is filed; if overpayment nonfraud or not fault of individual and recovery would be against equity and good conscience
SD	If timely waiver request is filed; if overpayment not fault of individual and individual does not have the ability to repay; if recovery would defeat purpose of benefits or would be against equity and good conscience
TN	If timely waiver request is filed; if overpayment nonfraud or not fault of individual; recovery would be against equity and good conscience; if nonfraud of individual and a subsequent decision adverse to individual results because of employer's failure to respond to request for separation information or failure to appear for a scheduled appeal hearing
UT	If overpayment not fault of individual, and individual unable to meet more than basic needs for survival for an indefinite period lasting at least several months
VT	Overpayments not resulting from non-disclosure or misrepresentation by individual will be waived after fact-finding has been conducted
VI	If overpayment not fault of individual and recovery would be against equity and good conscience
WA	If overpayment nonfraud or not fault of individual and recovery would be against equity and good conscience

TABLE 6-1: WAIVER OF NONFRAUD OR NONFAULT OVERPAYMENTS	
State	**Additional Information**
WI	If overpayment not fault of individual and recovery would be contrary to equity and good conscience
WY	If timely waiver request is filed; if overpayment nonfraud or not fault of individual; if recoupment defeats purpose of UI law or is against equity and good conscience; individual has extreme financial hardship

RECOVERY PROVISIONS—All state laws provide for recovering benefits paid to individuals who later are found not to be entitled to them. In addition to direct repayment, states utilize several tools to recoup these funds. States may, at the discretion of the agency, recover nonfraud and fraud overpayments by deducting from future benefits payable (benefit offset); and, under specific circumstances, benefit offset is mandatory. States may also recover overpayments from an individual's Federal income tax refund through the Treasury Offset Program. Similarly, states may also offset overpayments with state tax refunds due to the individual, or by the interception of lottery winnings, or they can compel repayment by pursuing civil action in state court. Finally, some states assess interest and penalties on outstanding overpayment balances. The following table provides information about how states recover nonfraud overpayments.

TABLE 6-2: RECOVERY OF NONFRAUD OVERPAYMENTS					
State	**Benefit Offset**		**Offset with State/Federal 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	No	Yes	No
CT	50%; if WBA <$100, then 25%	No; may write off as uncollectible after 8 years	No	Yes	No
DE	50%	5 years from end of BY	Yes	Yes	No
DC	100%	No	Yes[1]	Yes	No
FL	100%	3 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%	5 years from date of final determination	Yes	Yes	No
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

TABLE 6-2: RECOVERY OF NONFRAUD OVERPAYMENTS					
State	Benefit Offset		Offset with State/Federal Tax Refunds	Civil Action Permitted	Interest Assessed
	Offset Against Future Benefits	Number of Years Limited			
LA[3]	100%	No	Yes	Yes	No
ME	10% of 1st $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
MI	Up to 20%	3 years from date of payment	Yes	Yes	Yes
MN	50%	6 years from date overpayment is determined	Yes[1]	Yes	No
MS	100%	5 years from last day of week overpaid	No	Yes	1% per month on principal balance after 1st 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 1st 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	No	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 1st day of month following 60 days after final decision
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

OVERPAYMENTS

TABLE 6-2: RECOVERY OF NONFRAUD OVERPAYMENTS					
State	Benefit Offset		Offset with State/Federal Tax Refunds	Civil Action Permitted	Interest Assessed
	Offset Against Future Benefits	Number of Years Limited			
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[4]	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	No	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] A penalty of $20 or 25% of outstanding balance is imposed.
[4] 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.

FRAUD PROVISIONS

RECOVERY PROVISIONS, FINES, AND CRIMINAL PENALTIES—For fraud, including willful misrepresentation generally and concealment of facts, states utilize the same methods to recover overpayments as they do for nonfraud overpayments. However, most states can pursue criminal action in court, which can lead to fines and prison sentences. Further, states can administratively assess additional fines or penalties. Pub. L. 112-40, enacted October 21, 2011, imposed a mandatory penalty assessment for fraudulent claims. States are now required to assess a penalty of not less than 15 percent of the amount of the erroneous payment against claimants committing fraud in connection with state and/or Federal unemployment compensation programs. The penalties are mandatory for any fraudulent payments established after October 21, 2013, and the penalty assessments must be immediately deposited into the state's account in the unemployment trust fund and used for the payment of unemployment compensation.

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

abet an individual's attempt to fraudulently claim benefits. The following table reflects state law provisions on how states treat benefit fraud. A state's policy may be different (e.g. it may not, in fact, pursue criminal prosecution) and can change.

TABLE 6-3: TREATMENT OF FRAUD

State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed	
	Benefits		State/ Federal Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	By Claimant	By 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	15% of overpayment	$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	No	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% 1st 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	$20 – $50; 15% of overpayment	$20 - $200	60 days	60 days
DC	100%	No	Yes[2]	No	$200; 15% of overpayment	$1,000	60 days	6 months
FL	100%	5 years from date established	No	No, unless and until a civil judgment is entered	X; 15% of overpayment	$5,000	5 years	5 years
GA	50%	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)	Yes	No	X[2] 15% of overpayment	$20 - $200	5 years	60 days
ID	100%	8 years from final determination date	Yes[2]	Yes	25% 1st instance; 50% 2nd instance; 100% 3rd instance and subsequent[2]	$20 - $200 and 10 x WBA	X[1]	X[1]

TABLE 6-3: TREATMENT OF FRAUD								
State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed	
	Benefits		State/ Federal Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	By Claimant	By Employer
	Reduction in WBA	Number of Years Limited						
IL	100%	No	Yes[2]	No, unless suit filed and judgment entered; then 9% per year	Up to $500 fine; plus additional 15% of overpayment	Up to $500	180 days	180 days
IN	100%	No	Yes	0.5% per month	25% 1st instance; 50% 2nd instance; 100% 3rd instance and subsequent; 15% of overpayment penalty	X[4]	6 - 36 months or 2 - 8 years	6 - 36 months or 2 - 8 years
IA	100%	10 years from date of last activity	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	$500 -$10,000; 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% 1st incident, 75% 2nd incident, 100% other incidents	X[1]	X[1]	X[1]
MD	100%	No	Yes	1.5% per month	Up to $1,000; 15% of overpayment	Up to $1,000	90 days	90 days
MA	100%	No	Yes	1% per month until total interest = 50% of overpayment	Fine of $1,000 - $10,000; 15% of overpayment	$2,500 - $10,000	6 months to 5 years	1 year
MI	100%	3 years from overpayment	Yes	Yes	Up to 4 x overpayment amount; 15% of overpayment	Up to 4 x amount involved	1 year	1 year
MN[5]			Yes[2]	1.5% per month	40% of overpayment	X[1]	20 years	20 years
MS	100%	5 years from last week overpaid	No	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 recom-mendation of district attorney or employer	30 days for each false statement
NE	100%	3 years from end of applicable benefit year	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[6]	$2,000	10 years	10 years

TABLE 6-3: TREATMENT OF FRAUD								
State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed	
	Benefits		State/ Federal Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	By Claimant	By Employer
	Reduction in WBA	Number of Years Limited						
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 $100	30 days	30 days
NY	100%	No	Yes[2]	9% per year (civil action only)	$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	$10,000 fine; 15% of overpayment	$1,000 fine	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
PA	100%	10 years from date applied for benefits	No	Computed annually based on IRS rate	$100 - $1,000; 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	X[1] 15% of overpayment	$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	$20 - $100; 25% of overpayment	$20 - $100	30 days for each offense or week claimed	30 days
SD	100%	No	No	12% per year	$2,000; 50% of overpayment – 1st instance and 100% overpayment subsequent	$1,000 fine	1 or 2 years	1 or 2 years
TN	100%	No	No	1.5% per month	30% of overpayment for 1st incident; 50% for subsequent	X[1]	1 year (minimum)	1 year (minimum)
TX	100%	No	No	1% per month	$4,000; 15% of overpayment	$4,000	Depends on whether prosecuted as misdemeanor or felony	X[1]

TABLE 6-3: TREATMENT OF FRAUD

State	Recovery of Overpayments Through Offset			Monetary Assessments			Max Prison Time Imposed When Fraud Committed	
	Benefits		State/ Federal Tax Refunds	Interest Charged	Fines or Penalties on Claimant	Fines or Penalties on Employer	By Claimant	By Employer
	Reduction in WBA	Number of Years Limited						
UT	100%	No	Yes[2]	No, unless it goes to judgment	The fines or penalties on individuals is 100% of overpayment (civil) and up to $10,000 (criminal)	Up to $20,000	15 years	15 years
VT	100%	5 years from determination date	Yes[2]	No	Up to $50[7]; additional 15% of overpayment	Up to $50	30 days	30 days
VA	100%	No	Yes[2]	No	Up to $1,000; 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	$50 - $200	60 days	60 days
WA	100%	No	No	1% per month	$20 - $250; 15% of overpayment 1st offense; plus additional 25% of overpayment 2nd offense; plus additional 50% of overpayment 3rd and subsequent offenses	$20 - $250	90 days	90 days
WV	100%	10 years from last week overpaid	No	No	$100 - $1,000 fine; plus additional 20% of overpayment	$20 - $200	30 days	30 days
WI	100%	No	Yes[2]	No	$100 - $500 fine; 40% of overpayment	$500 - $1,500	90 days	90 days
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 pursue civil action to recover fraud overpayments except **AK**, **MA**, **NE**, **NC**, **PR**, and **SC**. All states impose monetary assessments and prison time on employers who fraudulently act to prevent or reduce an individual's benefits. In addition, some states impose assessments/prison time for abetting an individual's fraudulent receipt of benefits. Where these penalties differ, 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**, **HI**, **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] Benefit offset not possible since individuals committing fraud are ineligible for benefits until they fully repay the amount owed.
[6] May impose additional penalties: 5% if overpayment >$25 to $1,000; 10% if overpayment >$1,000 to $2,500; 35% if overpayment >$2,500;
[7] If not prosecuted, assessed 1 penalty week for each week of fraud; however if fraud committed within the past 3 calendar years, and fraud committed again, assessed 2 penalty weeks for each week of fraud. Limited to no more than 26 penalty weeks in any BY.

DISQUALIFICATION FOR FRAUD AND MISPREPRESENTATION—In addition to assessments and prison time, individuals may be disqualified from benefits. The provisions for disqualification for fraud and misrepresentation follow no general pattern. In nine states[1] there is a more severe disqualification when the fraudulent act results in payment of benefits. In California, New Hampshire, Oregon, Pennsylvania, and Virginia, it is more severe when the individual is convicted.

In California, any individual convicted of fraud or misrepresentation under the penalty provisions is disqualified for 1 year. In Rhode Island, there is no disqualification unless the individual has been convicted of fraud by a court of competent jurisdiction. Illinois does not deny a worker benefits for giving false statements or for failure to disclose information if the previous benefits are being recouped or recovered. On the other hand, in Hawaii, Puerto Rico, Vermont, and the Virgin Islands an individual is not subject to the administrative disqualification if penal procedures have been undertaken. In Massachusetts, administrative disqualification precludes initiation of penal procedures.

Seventeen states include a statutory limitation on the period within which a disqualification for fraudulent misrepresentation may be imposed (see footnote 4 in Table 6-4). The length of the period is usually 2 years and, in six states, the 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 2 years of the date of the fraudulent act. In Connecticut and Michigan, the disqualification may be imposed if a claim is filed within 6 years of the benefit year in which the offense occurred. In five states, the disqualification may be imposed only if the determination of fraud is made within 2 or 4 years of the date of the offense.

In many states, disqualification for fraud or misrepresentation is, as would be expected, more severe than the ordinary disqualification provisions. In 17 states, the disqualification is for at least a year; in others, it may last longer. The provisions are difficult to compare because 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. The disqualification provisions are, moreover, complicated by tie-in with recoupment provisions and by retroactive imposition.

As Table 6-4 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. Altogether, fraud or misrepresentation involves cancellation of wage credits or reduction of benefit rights in 34 states and may involve reduction of benefit rights for individuals in 15 more states. The disqualification for fraud or misrepresentation usually expires after a second benefit year but, in California, it may be imposed within 3 years after the determination is mailed or served; in Ohio, within 4 years after a finding of fraud; and in Arkansas and Washington, within 2 years of such finding. In many states, as noted in the table below, the agency may deny benefits until the benefits obtained through fraud are repaid. In Virginia, the denial is limited to 5 years. In Colorado, benefits are denied if an individual's court trial for commission of a fraudulent act is prevented by the inability of the court to establish its jurisdiction over the individual. Such ineligibility begins with the discovery of the fraudulent act and continues until such time as the individual makes himself or herself available to the court for trial. In Maryland, the time limit for repayment is 5 years following the date of the offense, or 1 year after the year disqualification period, whichever occurs later. After this period, an individual may qualify for benefits against which any part of the repayment due may be offset. In Louisiana, repayment is limited to the 5-year period following a determination of fraud – a period that may be lengthened under specified circumstances.

[1] ID, KY, LA, MD, MI, MT, OH, UT, and VT.

TABLE 6-4: DISQUALIFICATION FOR FRAUD		
State	**Duration of Disqualification**	**Benefits Reduced or Canceled**
AL	52 weeks for 1st offense and 104 weeks for 2nd and subsequent offenses	4 x WBA to maximum benefit amount payable in BY[1]
AK	W + 6 – 52	X[2]
AZ	Until total amount of overpayment and all penalties and interest have been recovered or otherwise satisfied in compliance with a civil judgment[3, 4]	X[2]
AR	W + 13; additional 3 weeks for each week of fraud[3, 4]	Benefits canceled in BY in which fraud occurred
CA	If convicted, 52 weeks[3, 4, 5]	X[2]
CO	4 - 104 weeks	X[2]
CT	Full amount of overpayment must be repaid	Mandatory equal reduction
DE	W + 51	X[6]
DC	All or part of remainder of BY and for 1 year commencing with the end of such BY[2]	X[6]
FL	1 - 52 weeks[3] and until fraudulent overpayments are repaid in full	X[2]
GA	Remainder of current quarter and next 4 quarters[4, 7]	Mandatory equal reduction[4]
HI	24 months[3, 4]	X[6]
ID	W + 52; amounts fraudulently received, plus penalty and interest, must be repaid [3, 4]	X[6]
IL	W + 6 weeks; if additional offenses, up to 26 weeks[3, 8]	
IN	Up to current BY	All wage credits prior to act canceled
IA	Up to current BY[3]	Mandatory equal reduction
KS	5 years after act committed or after 1st day following last week for which benefits were paid, whichever is later	X[6]
KY	Unreported earnings: W + additional weeks based on amount of unreported earnings (up to 52 W); nondisclosure of info other than wages: W + 26[3]	X[2]
LA	For remainder of BY after commission of fraudulent act and then continuing for 52 weeks following determination of fraud	X[6]
ME	6 months - 1 year[3]; for 3rd occurrence disqualification determined by the Commissioner	
MD	All benefits and interest repaid[3, 9]	X[6]
MA	A compensable week for each week overpaid	25% of WBA
MI	Current BY and until such amounts are repaid or withheld[3, 4]	All base period wages canceled; benefits canceled in BY in which fraud occurred
MN	13 - 104 weeks	X[2]
MS	W + up to 52 weeks[3]	X
MO	Up to current benefit year +[10]	All or part of wage credits prior to act canceled

TABLE 6-4: DISQUALIFICATION FOR FRAUD		
State	**Duration of Disqualification**	**Benefits Reduced or Canceled**
MT	1 - 52 weeks and until benefits are repaid[3]	
NE	Up to current benefit year +[10]	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[11]	X[6]
NH	4 - 52 weeks; if convicted, 1 year after conviction; and until benefits are repaid or withheld[1, 3]	Mandatory equal reduction
NJ	1 year[3]	X[2]
NM	Not more than 52 weeks[3]	X[6]
NY	4 - 80 days for which otherwise eligible[3, 4]	Mandatory equal reduction
NC	52 weeks[3]	X[6]
ND	W + 51	X[6]
OH	Amount of fraudulent benefits must be repaid, and individual held ineligible for 2 otherwise valid weekly claims for each weekly claim canceled	X[12]
OK	W + 51[3, 4]	BP or BY may not be established during period
OR	52 weeks; if convicted, until benefits are repaid or withheld[3, 4]	If convicted, all wage credits prior to conviction canceled[11]
PA	2 weeks plus 1 week for each week of fraud or, if convicted of illegal receipt of benefits, 1 year after conviction[1, 4, 13]	X[6]
PR	W + 51 provided that criminal procedures have not been filed against individual[3, 4]	
RI	If convicted, 1 year after conviction	X[6]
SC	W + 10 - 52[3]	X[2]
SD	Benefits denied for weeks of compensable unemployment from and after the discovery date of fraud, until benefits are repaid	X[2]
TN	W + 4 - 52[3]	X[2]
TX	Current BY	Benefits or remainder of BY canceled
UT	W + 13 - 49, and until benefits received fraudulently are repaid[14]	X[6]
VT	If not prosecuted, until amount of fraudulent benefits are repaid or withheld + 1 - 26 weeks[3, 4]	X[2]
VA	W + 52; if convicted, 1 year after conviction, or until repaid[3, 4]	X[2]
VI	W + 51[3, 4]	X[2]
WA	Week of fraudulent act + 26 weeks following filing of 1st claim after determination of fraud[4] for 1st offense; plus additional 52 weeks for 2nd offense; plus additional 104 weeks for 3rd and subsequent offenses	X[6]
WV	W + 52[3]	
WI	Each week of fraud	1 - 4 x WBA[1, 15]

TABLE 6-4: DISQUALIFICATION FOR FRAUD		
State	**Duration of Disqualification**	**Benefits Reduced or Canceled**
WY	W + 51[3]	

GENERAL NOTE: W = week in which act occurs plus the indicated number of consecutive weeks following.

[1] **AL**, **NH**, **PA**, and **WI -** provision applicable at discretion of agency.
[2] **AK**, **AZ**, **CA**, **DC**, **FL**, **KY**, **MN**, **NJ**, **SC**, **SD**, **TN**, **VT**, **VA**, and **VI -** before disqualification period ends, wage credits may have expired in whole or in part depending on disqualification imposed and/or end of BY.
[3] **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; **MS -** first overpayment results in 6-week disqualification for each fraudulent week, second or subsequent overpayment results in 12 week disqualification for each fraudulent week; **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.
[4] **AZ**, **HI**, **OK**, **PR**, and **VI -** provision applicable only if claim filed 2 years after offense; **PA -** within 4-year period following the expiration of the claim in which the fraud occurred; **NY -** penalty expires after 2 years from date of final determination; such 2-year period shall be tolled during the time period a individual has an appeal pending; **WA -** within 2 years following determination of fraud; **CA -** if claim filed within 3 years following date determination was mailed or served; **MD** and **VA -** if determination of fraud is made within 3 years after offense; **VT -** 3 years after date of decision; **OR -** 5 years after the date of the decision; **AR -** 2-1/2 years from date of delivery or mailing of determination of disqualification; **GA -** if determination of fraud is made within 4 years of offense; **ID -** within 8 years of final determination establishing liability to repay; **MI -** reduction only occurs as to a benefit year established within 2 years after the cancellation of benefit entitlement due to fraud in an existing benefit year.
[5] **CA -** disqualification may be served concurrently with a disqualification imposed for any of the 3 major causes if individual registers for work for such week as required under latter disqualifications; also disqualification is 2 - 15 weeks if not paid benefits or 5 - 15 weeks if benefits received. The Director may extend the period of ineligibility for an additional period not to exceed 8 additional weeks for successive disqualification.
[6] **DE**, **DC**, **HI**, **ID**, **KS**, **LA**, **MD**, **NV**, **NM**, **NC**, **ND**, **PA**, **RI**, **UT**, and **WA -** before disqualification period ends, wage credits will have expired in whole or in part, depending on end of BY.
[7] If a false representation or failure to disclose a material fact is made more than once in a BY, or if benefits received exceed $4,000, the individual shall upon conviction be guilty of a felony and upon conviction shall be punished by imprisonment of 1 to 5 years.
[8] Plus 2 additional weeks of disqualification for each subsequent offense.
[9] If the 15% monetary penalty is paid, the Secretary may declare benefits received unlawfully (and the interest) uncollectable and impose: 1 year disqualification if no violations in the 4 preceding BYs, or 2 years disqualification if 1 violation in the 4 preceding BYs, or 3 years disqualification if more than 1 violation in the 4 preceding BYs.
[10] **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.
[11] 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.
[12] Two penalty weeks are served for each week in which fraud occurred.
[13] Duration of disqualification lasts until benefits withheld or repaid if finding of fault on the part of the individual has been made.
[14] 13 weeks for first week of fraud + 6 weeks for each additional week. No benefits shall be paid until overpayment and, as a civil penalty an amount equal to the benefits fraudulently received, is repaid.
[15] Compensable week within 6-year period following date of determination of fraud for concealing earnings or refusal of job offer.

WRITE-OFF OF OVERPAYMENTS

After exhausting its options to recover overpayments, most states will permit the UI agency to write off (that is, cancel as uncollectible) certain overpayments. The criteria for writing off overpayments vary. Usually, it depends on how long the overpayment has been outstanding. However, most states have established additional criteria. The following table provides information on states' write-off provisions.

TABLE 6-5: WRITE-OFF OF OVERPAYMENTS				
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

TABLE 6-5: WRITE-OFF OF OVERPAYMENTS				
State	Nonfraud		Fraud	
	Age Requirement	Other Criteria	Age Requirement	Other Criteria
AZ[1]	5 years from final decision			Bankruptcy or death
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 1st day of current quarter		4 years older than 1st day of current quarter and last transaction is 1 quarter old	
ID[2]	5 years from final decision	Account activity	8 years from final decision	Account activity
IL[2, 3]		If uncollectible		Legally uncollectible
IN[2]	3 years from BYB of claim; civil judgment extends by 10 years (can extend again)		6 years from BYB 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 benefit year		10 years from last day of BY	Not if individual has been prosecuted for offense
LA[2]	5 years from BYE 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	
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

TABLE 6-5: WRITE-OFF OF OVERPAYMENTS				
State	Nonfraud		Fraud	
	Age Requirement	Other Criteria	Age Requirement	Other Criteria
NV	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
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		No cost-effective means of collecting		No cost-effective means of collecting

TABLE 6-5: WRITE-OFF OF OVERPAYMENTS				
State	**Nonfraud**		**Fraud**	
	Age Requirement	**Other Criteria**	**Age Requirement**	**Other Criteria**
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 since 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 appeals authorities and time limitations for review for first-level appeals, second-level appeals, and judicial review.

The Social Security Act requires states to offer "opportunity for a fair hearing before an impartial tribunal, for all individuals whose claims for unemployment compensation are denied." Hence, all states' laws provide for a right to appeal. Further, all but a few states' 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 are granted the right to appeal decisions on claims as well.

As a result of *California Department of Human Resources Development v. Java*, 402 U.S. 121 (1971), once a UI claimant has been found eligible for benefits, such claimant will continue to receive benefits until a decision is issued reversing the determination allowing benefits. Thus, an employer's appeal will not affect the continuance of payment of benefits 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 of the states specify that findings of fact, conclusions of law, or final orders made by a UI hearing officer or board of review will not be binding in any separate or subsequent proceeding brought in any judicial, administrative, or arbitration proceeding in that state or of the U.S. government. Some states' 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			

APPEALS

FIRST- AND SECOND-LEVEL APPEALS

FIRST-LEVEL APPEALS—Typically, all states' laws provide that appeals at the initial stage will be conducted by one person called a referee, examiner, or administrative law judge.

The time period for appealing to the first-level appeals body is generally stated in terms of days. The number of days for filing an appeal after notice of the determination varies among the states, ranging from 7 to 30 days. Almost half of the states specify that a "day" is defined as a calendar day. Some of the states that do not define "day" extend the due date for filing appeals if the last day for filing or the date of mailing falls on a Saturday, Sunday, holiday, or any other day the state agency is closed. Many states extend the time for filing for good cause. For more specific information about states' law provisions, see table 7-2.

In all but a few states, the decision of the first-level appeals body is final in the absence of further appeal. In other states, the official may reconsider his/her decision within the appeal period.

SECOND-LEVEL APPEALS—About half of the states that established second-level appeals have a board of review, board of appeals, or appeals board to hear cases appealed from the decision of the lower appeal tribunal. Almost all of these boards consist of three members. The members of the appeals boards generally represent labor, employers, and the public. The following is an overview of the exceptions concerning appeals board membership.

- AR – The chairman must be an attorney who is not a representative of employers or employees.
- CA – Two of the members must be attorneys.
- DE – Two members will reside in New Castle County, one of whom must live in the City of Wilmington; one member will reside in Kent County; one member will reside in Sussex County; and the final member will serve at large.
- IN – No more than two members may belong to the same political party. One member must practice law in the state.
- ME – The chairman of the commission must be an attorney.
- MA – The chairman must be an attorney.
- NH – When the board is in session, none of the three members can be from the same category of representation.
- NY – No more than three members may belong to the same political party.
- OH – No more than two members may belong to the same political party.
- OK – No member may serve as an officer of any political party organization during his term of office.
- OR – No more than two members may belong to the same political party.
- RI – No more than two members may belong to the same political party.
- WV – The governor may not appoint anyone who is identified with the interests of either employers or employees.
- WY – No more than two members may belong to the same political party.

In the rest of the states with second-level appeals, appeals are handled by an existing commission or agency head.

TIME LIMITS FOR FILING APPEALS, AND APPELLATE ENTITIES—The number of days for filing a first- or second-level appeal ranges from 7-30 days after mailing, delivering, or electronically transmitting the notice of determination. Many states extend the time for filing appeals for good cause; this provision can be found in policy rather than in law in some states. Some states provide that a contested determination involving a labor dispute shall be appealed directly to the second-level appeals body. In some states, a special examiner is designated to redetermine the original claim before an appeal. State-specific information for filing appeals can be found in the following table.

TABLE 7-2: TIME LIMITATIONS FOR APPEALS, AND APPELLATE ENTITIES			
State	First-Level Appeals	Second-Level Appeals	
	Number Of Days For Filing	Number Of Days For Filing	Appellate Entity
AL	15 after mailing; 7 after delivery	15 after mailing	Board of Appeals
AK	30 after mailing or personal delivery	30 after mailing or personal delivery	Commissioner
AZ	15# after mailing; 7# after delivery	30# after mailing or electronic transmission	Appeals Board
AR	20# after mailing or delivery	20# after mailing or delivery	Board of Review
CA	30 after mailing or personal service	30 after mailing or personal service	Appeals Board
CO	20# after mailing or personal delivery	20# after mailing or personal delivery	Industrial Claim Appeals Office (Panel)
CT	21# after notice provided	30# after mailing	Board of Review
DE	10# after mailing	10 after decision is final	UI Appeal Board
DC	15# after mailing or actual delivery[1]	NO SECOND-LEVEL APPEAL	
FL	20# after mailing or delivery	20# after mailing or delivery	Unemployment Appeals Commission
GA	15 after mailing or delivery	15 after mailing	Board of Review
HI	10 after mailing or delivery	NO SECOND-LEVEL APPEAL	
ID	14 after mailing or delivery	14 after actual notice	Industrial Commission
IL	30 after mailing or delivery	30 after mailing	Board of Review
IN	10 after mailing or delivery	30 after notification or mailing	Review Board
IA	10 after mailing	15 after notification or mailing	Employment Appeal Board
KS	16# after mailing or delivery	16 after mailing	Board of Review
KY	15 after mailing	15 after mailing	UI Commission
LA	15 after mailing or being given to the party	15 after mailing or being given to the party	Board of Review
ME	15# after mailing[1, 2]	15# after mailing[1, 2]	UI Commission
MD	15# after mailing or delivery	15# after mailing or delivery	Board of Appeals
MA	30 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	Board of Review
MN	20# after mailing	NO SECOND-LEVEL APPEAL	
MS	14 after notification or delivery	14 after notification or delivery	Board of Review
MO	30 from delivery or mailing	30 from delivery or mailing	Industrial Commission
MT	10 after sending	10 after sending	Unemployment Insurance Appeals Board
NE	20 after delivery or mailing	NO SECOND-LEVEL APPEAL	
NV	11 after mailing or personal service	11 after mailing or personal service	Board of Review
NH	14# after mailing	14 after mailing	Appellate Board
NJ	7 after delivery, 10 after mailing	20 after notification or mailing	Board of Review
NM	15 after notification or mailing	15 after notification or mailing	Board of Review
NY	30 after mailing or personal delivery	20 after mailing or personal delivery	Appeal Board
NC	15 after notification or mailing	10* after notification or mailing	Board of Review

APPEALS

TABLE 7-2: TIME LIMITATIONS FOR APPEALS, AND APPELLATE ENTITIES			
State	**First-Level Appeals**	**Second-Level Appeals**	
	Number Of Days For Filing	**Number Of Days For Filing**	**Appellate Entity**
ND	12 after mailing or service	12 after mailing or service	Bureau
OH	21# after mailing or redetermination	21# after mailing	Unemployment Compensation Review Commission
OK	10 after mailing or delivery	30 after mailing	Board of Review
OR	20 after mailing or delivery	20 after mailing or delivery	Employment Appeals Board
PA	15# after mailing	15 after mailing	Board of Review
PR	15 after mailing or delivery	15 after mailing or delivery	Secretary of Labor
RI	15#	15	Board of Review
SC	10 after mailing to last known address	10# after mailing	Appellate Panel
SD	15 after mailing	15 after mailing or notification	Secretary
TN	15# after mailing or delivery, whichever occurs first	15# after mailing or delivery, whichever occurs first	Commissioner's designees
TX	14 after mailing	14 after mailing	Commission Appeals
UT	15# after mailing	30 after notice	Appeals Board
VT	30 after mailing	30	Employment Security Board
VI	10 after mailing or delivery	NO SECOND-LEVEL APPEAL	
VA	30# after mailing or delivery	30 after mailing or delivery	Commission Appeals
WA	30 after mailing or notification	30 after mailing or notification	Employment Security Commission
WV	8# after mailing or delivery	8# after mailing or delivery	Board of Review
WI	14 after mailing or being given to such party, whichever occurs first	21 after mailing	Labor and Industry Review Commission
WY	28# after mailing	28# after mailing or delivery	Employment Security Commission

# Indicates "calendar" days * Indicates "working" days

[1] **DC** and **ME -** the 15-day appeal period may be extended if the claimant or any party to the proceeding shows excusable neglect or good cause.

[2] **ME -** an additional 15 days may be allowed if appellant shows good cause for late filing.

JUDICIAL REVIEW

All states provide for appeals to the courts for judicial review. In general, the time limit for filing ranges from 10 to 30 days. States that designate a specific period of time to exhaust actions before the second administrative appeal body decision becomes final provide an additional period of time in which to seek judicial review, commencing with the date the decision is final.

TABLE 7-3: JUDICIAL REVIEW			
State	**Number of Days for Filing**		**Court of Initial Jurisdiction**
	After Notification*	**Other**	
AL	10 + 30		Circuit Court in county in which claimant resides
AK		Within 30 days after date of entry of decision (prescribed by appellate rules)	Superior Court

TABLE 7-3: JUDICIAL REVIEW			
State	Number of Days for Filing		Court of Initial Jurisdiction
	After Notification*	Other	
AZ	30# from date of decision		Court of Appeals
AR	30# from date of decision		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	15 + 20; claimant must appeal to commission for a review within 15 days before appeal to court		Court of Appeals
CT	30#		Superior Court in Hartford or district where appellant resides
DE	10 + 10		Superior Court
DC		30 days after decision is final	D.C. Court of Appeals
FL		Within 30 days of date of entry of decision (prescribed by appellate rules)	District Court of Appeals in appellate district in which claimant resides or the job separation arose, or in the appellate district where the order was issued
GA	15 + 15		Superior Court in county or city in which the claimant last worked
HI		30 days after service of decision	Circuit Court in county in which claimant resides, or in county or city in which claimant last worked
ID	30		Supreme Court
IL	35		Circuit Court in county in which claimant resides or county where business is located; non-resident may file suit in Circuit Court of Cook County
IN	15; or 30 days from date of notice of intention to appeal filed within the 15-day period		Indiana Court of Appeals
IA	10 + 20		District Court in county in which claimant resides; non-resident may file suit in District Court of Polk County or where claimant last worked
KS	16		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 in the parish in which claimant resides
ME	10 + 15		Superior Court in county in which plaintiff lives or does business
MD	30		Circuit Court of County of Baltimore
MA	30		District Court in county in which claimant resides, or in county or city in which claimant last worked
MI	30		Circuit Court in county in which claimant resides, or last worked, or county in which business is located
MN	30		Court of Appeals
MS	10 + 10		Circuit Court of the county where party resides, the county in which the action arose, or in the county of employment

TABLE 7-3: JUDICIAL REVIEW			
State	Number of Days for Filing		Court of Initial Jurisdiction
	After Notification*	Other	
MO	10 + 20		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	5 + 30; no further administrative appeal		District Court in county in which claimant resides or last worked
NV	10 + 10		District Court where employment was performed
NH	30		Supreme Court
NJ	45; by court rule, no statutory provision		Superior Court, Appellate Division
NM	15		District Court in county in which claimant resides
NY	30		Supreme Court, Appellate Division, Third Department
NC	30		Superior Court in county in which claimant resides
ND	30		District Court
OH	30		Court of Common Pleas in county in which claimant resides or last worked, or in county in which business is located
OK	30		District Court in county in which claimant resides; non-resident may file suit in District Court of Oklahoma County
OR		30; after decision is served	Circuit Court
PA	15 + 30		Commonwealth Court
PR	30		Superior Court in county in which claimant resides
RI	30		District Court - Sixth Division, State of Rhode Island
SC	30		Administrative Law Court
SD		30 days after date of decision	Circuit Court
TN		30 days after decision of commissioner has become final	Chancery Court in county in which claimant resides; non-resident may file suit in Chancery Court of the county in which employer is located
TX	14 + 14		County Court in county in which claimant resides; non-resident may file suit in Travis County Court
UT	10 + 10	30 days after date of decision	Utah Court of Appeals
VT	2	30 days after notice of appeal is filed	Supreme Court
VA	30		Circuit Court where claimant last worked
VI	30		District Court of the Virgin Islands
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 (appeals involving a labor dispute must be filed within 20 days) + 20		Circuit Court of Kanawha County
WI	30		Court 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 county where the claim arose; cases can be brought in any other county circuit court if the parties and the court agree

TABLE 7-3: JUDICIAL REVIEW			
State	Number of Days for Filing		Court of Initial Jurisdiction
	After Notification*	Other	
WY	10		District Court of Natrona County, or in county in which claimant resides, or in county in which business is located

# Indicates "calendar" days

* Where two figures are shown, the first figure is the number of days after which the decision is final and is the time claimant has to exhaust actions before administrative appeal bodies; the second figure is additional time allowed to seek judicial review. Notification may include postal or electronic mailing, in-person delivery, or other methods of notice.

CHAPTER 8

TEMPORARY DISABILITY INSURANCE

IN GENERAL

Temporary Disability Insurance (TDI) programs are designed to provide wage replacement for nonwork-connected sickness or injury. The TDI program complements the UI program by providing benefits to individuals who do not meet the UI program's "able" to work requirement. Although Federal law does not provide for a federal-state TDI system, the SSA and FUTA both authorize the withdrawal of employee contributions from a state's unemployment fund for payment of TDI.

Six states operate TDI programs. In California, New Jersey, Puerto Rico, and Rhode Island the TDI programs are administered by the state employment security agency. The Hawaii law is administered by the Temporary Disability Income Division of the Department of Labor and Industrial Relations. The New York law is administered by the workers' compensation board.

Historical Note: Rhode Island passed the first TDI law in 1942; California followed in 1946, New Jersey in 1948, New York in 1949, Puerto Rico in 1968, and Hawaii in 1969.

California, Puerto Rico, and Rhode Island provide one program of benefits without regard to whether workers are employed, unemployed, or in noncovered employment when their disability begins. Hawaii, New Jersey, and New York provide two separate disability benefits programs: one for individuals who suffer disability while employed or shortly thereafter, and another for those who become disabled while unemployed. The New Jersey program for disability during unemployment also covers workers with base period wages in covered employment whose disabilities begin while they are in noncovered employment.

DEFINITION OF DISABILITY

The scope of the program depends in part on the type of disabilities compensable. The intent of the laws is to compensate for nonwork-connected sickness or injury. This purpose is achieved through the definition of disability or through other eligibility conditions.

In general, the laws define disability in terms of the inability of an individual to perform the regular or customary work because of the individual's physical or mental condition. California also specifically includes individuals suspected of being infected with a communicable disease, acute alcoholics, and drug addicts undergoing treatment. Hawaii's definition of disability for purposes of receiving temporary insurance benefits includes organ donation. The Puerto Rico law and two of the special systems for the disabled unemployed in New Jersey and New York contain more strict requirements with respect to disability during unemployment. The New Jersey law provides that individuals must be continuously and totally unable to perform the duties of

their job. The New York and Puerto Rico laws provide that the individual must be unable to perform any work for which he/she is reasonably qualified by training and experience.

EXCLUSION FROM DISABILITY PAYMENTS—Hawaii, New Jersey, New York, and Puerto Rico have provisions for excluding payments for disability caused by willful, intentional, or self-inflicted injuries. A disability acquired in the perpetration of an illegal act is excluded in California, Hawaii, New Jersey, New York, and Puerto Rico. California also prohibits payment due to incarceration. 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 in an institution as a drug addict, dipsomaniac, or sexual psychopath. In Puerto Rico, benefits are not payable for disability in cases caused by, or in relation to, abortion performed for medical reasons or in cases where complications have arisen due to abortion.

UNINTERRUPTED PERIOD OF DISABILITY—All states except Rhode Island have defined consecutive periods of disability resulting from the same or related cause or condition.

TABLE 8-1: DEFINITION - PERIOD OF DISABILITY

State	Definition
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 his 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

COVERAGE

In no state is TDI coverage the same as UI coverage. In New Jersey, California, and Rhode Island, individuals who depend on prayer or spiritual means for healing may elect not to be covered by the contribution and benefit provisions of the disability laws. In addition to this exemption, several states have other differences from UI coverage. In California, self-employed individuals who are not otherwise subject to the law may, under specified conditions, elect to become liable. Also, local public entities and agencies may elect to be covered. In Hawaii, coverage is the same as under the UI law, except that small agricultural employers are covered for disability purposes but not for UI. An owner of a corporation, a member of a limited liability company, or a partner is not covered by the Hawaii TDI law. An employer cannot require an employee to form such a legal entity as a condition of employment. Service performed by a sole proprietor is not covered by the Hawaii TDI law. In New York, coverage is not identical to that of either the UI program or the workers' compensation program. Employers of one or more workers in 30 days are covered, and domestic workers who work a minimum of 40 hours and are employed in 30 days are covered. Maritime service and service for state governmental units covered by the UI law are excluded, but public authorities and municipal corporations may elect disability coverage for their employees. New York also excludes an executive officer of (1) a corporation who at all times during the period involved owns all of the issued and outstanding stock of the corporation and holds an office in the corporation; or (2) an incorporated religious, charitable, or educational institution. Individuals who are entitled to receive primary old-age and survivors insurance benefits may elect not to be covered by the program. In Rhode Island, state and local government employees are covered by the UI law but not by the disability law, but any governmental entity except the state and its instrumentalities may elect coverage. In New Jersey, any governmental entity or instrumentality may elect coverage if covered under the UI law.

FINANCING

In California and Rhode Island, the benefits and administration of the programs originally were financed wholly or mainly by employee contributions that formerly went to UI. In New Jersey, employers have always contributed substantially (up to 50 percent, historically) for temporary disability insurance. In addition to providing that current employee contributions are deposited in the disability fund, the legislatures in these states provided for transfer to the disability fund of some or all of the employee contributions collected under the UI law.

TYPE OF FUND—In Rhode Island, all contributions are paid into a pooled state fund and all benefits are paid from that fund. 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 Rico, benefits under a private plan are paid to individuals for periods of disability that begin during unemployment or while employed in noninsured work.

The Hawaii and New York laws 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. In New York, employers may now purchase Enriched Disability Benefits Insurance coverage to provide benefit levels for employees above the statutory requirements. Also, there is a special fund for disability benefits, operated by the state, for benefits to the disabled unemployed. 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 non-complying employers.

AMOUNT OF CONTRIBUTIONS—The TDI contribution rates for both employees and employers vary among the states. All six states require employees to pay contributions to finance TDI. Only four states require employers to pay TDI contributions. The following table shows the amount of TDI contributions required for both employers and employees.

TABLE 8-2: AMOUNT OF CONTRIBUTIONS

State	Employer Contributions	Employee Contributions	Taxable Wage Base
CA	None; optional; may elect to pay all or part of employee amount	0.1 – 1.5% of TWB[1] ($998.12 yearly maximum)	$110,902
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 or $4.91 per week, whichever is less	$982.36 weekly
NJ	0.1 - 0.75% of TWB[2]	0.24% of TWB ($80.40 yearly)	$33,500
NY	Balance after employee contributions	0.5% of 1st $120 weekly wages (up to 60¢ weekly)	None
PR	0.6% of TWB which is shared by employer and employee[3]		$9,000
RI	None	1.2% of TWB ($795.60 maximum), adjusted annually	$68,100

[1] Rate may not decrease from the previous year's rate by more than 1.2%; the 2017 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.
[3] Contributions may or may not be equally shared.

FINANCING BENEFITS FOR DISABILITY DURING UNEMPLOYMENT—In Rhode Island, all benefits are paid from the state fund with no distinction between disabilities beginning during employment and those beginning during unemployment. In California, where contracting out is permitted, there is no distinction between the amount of benefits payable to the employed and the 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 in noncovered work at the time their period of disability commences. 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.

The separate New Jersey program for disability during unemployment is financed principally by interest on employee contributions withdrawn from the unemployment trust fund. Additional costs of such benefits may be assessed against all employers up to 0.1 percent of taxable wages.

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.

In New York, 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) established the fund from which benefits were first paid for disability during unemployment. This fund has been maintained at $12 million (by statute) by interest earned by the fund, by certain fines and penalties, and, when necessary, by an assessment against all carriers including the state fund.

ADMINISTRATIVE COSTS—Administrative costs under five programs are paid from the contributions; in Hawaii, such costs are paid from general revenue. Under the terms of the SSA and FUTA, employee contributions withdrawn from the unemployment trust fund are not available for payment of costs of administration. In New Jersey, 0.01 percent of taxable wages is credited 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. In New Jersey, 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 identical to, similar to, or different from the UI benefit provisions as shown in the table below. In all states, eligibility for benefits depends on proof of disability and continuation of such disability.

TABLE 8-3: BENEFIT YEAR AND BASE PERIOD

State	Status	Benefit Formula	Benefit Year	Base Period
CA	All workers	Differs from UI	No BY; rights determined with respect to continuous disability period established by valid claim	Without unexpired UI BY: first 4 of last 5 CQs preceding disability; with expired UI BY: if sufficient earnings, see table in TDI statute; if not, BP used to establish UI BY

TABLE 8-3: BENEFIT YEAR AND BASE PERIOD				
State	**Status**	**Benefit Formula**	**Benefit Year**	**Base Period**
HI	Employed workers	Differs from UI	1-year period beginning with 1st week of disability for which valid claim is filed	None; see tables in TDI statute for period used for qualifying employment and WBA
	Unemployed workers	Same as UI	UI BY	UI BP
NJ	Employed workers	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
	Unemployed workers	Same as UI	Valid claim for either disability during unemployment or for UI establishes BY for both	52 calendar weeks, ending with 2nd week immediately preceding individual's BY
NY	All workers	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	All workers	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 1st day of disability
RI	All workers	Similar to UI	Begins Sunday of calendar week in which 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 individual fails to meet qualifying wage requirement

TABLE 8-4: QUALIFYING WAGES OR EMPLOYMENT		
State	**Status**	**Additional Information**
CA	All workers	Flat $300 in BP
HI	Employed workers	14 weeks of employment with at least 20 hours in each week and wages of $400 during the 52 weeks immediately preceding 1st day of disability
	Unemployed workers	14 weeks of employment with at least 20 hours in each week and wages of $400 during the 4 completed CQs immediately preceding 1st day of disability
NJ	All workers	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 $8,400 in earnings for individuals who have not established 20 base weeks; $168 base week
NY	Employed workers	4 or more consecutive weeks of covered employment for 1 employer (or 25 days regular part-time employment) prior to commencement of disability
	Unemployed workers	2 categories of unemployed workers: (1) earned qualifying wages for UI, or averaged at least $30 a week in 15 weeks in last 52-week period and in 40 weeks in last 104-week period, or (2) not eligible under (1) but earned $13 in covered employment in each of 20 weeks within the 30 weeks preceding last day worked in covered employment
PR	All workers	Flat $150 in BP
RI	All workers	(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

TABLE 8-5: WEEKLY BENEFIT AMOUNT AND DURATION OF BENEFITS			
State	**Status**	**Weekly Benefit Amount**	**Duration**
CA	All workers	$50 - $1,173 based on schedule of HQW	Up to 52 weeks
HI	Employed workers	$14 - $594; for an AWW of less than $26, WBA is the AWW up to a maximum of $14; if AWW is $26 or more, WBA is 58% of AWW	Up to 26 weeks in BY
	Unemployed workers	Same as UI	Balance of weeks individual would have been eligible for benefits in his UI BY but not more than 26 weeks

TABLE 8-5: WEEKLY BENEFIT AMOUNT AND DURATION OF BENEFITS			
State	**Status**	**Weekly Benefit Amount**	**Duration**
NJ	Employed workers	$633 (based on schedule of AWW); AWW determined by dividing wages from 1 employer during base weeks in 8 weeks preceding disability by number of such base weeks (if less than average using all employment during last 8 weeks, use earnings from all employers)	Up to 26 weeks or period necessary for benefits to equal ⅓ of total wages in base year
	Unemployed workers	$633 (based on schedule of AWW); AWW determined by dividing wages from 1 employer in all base weeks by number of base weeks (if does not have 20 base weeks with any 1 employer, average base weeks with all employers)	Up to 26 weeks; duration under UI and disability during unemployment limited to 150% of duration for either program separately
NY	All workers	$20 - $170 on basis of ½ AWW in last 8 weeks, or portion thereof, in covered employment prior to commencement of disability (if average is less than $20, weekly benefit is average wage) Enriched Disability benefits: $255 - $850 based on the coverage level selected	Uniform potential 26 weeks in any 52 consecutive weeks or for any single period of disability
PR	All workers	Agricultural workers: $12 - $55 based on schedule of annual earnings; non-agricultural workers: $12 - $113 based on schedule of HQ and BPW in law	Uniform potential 26 weeks in any 52 consecutive weeks
RI	All workers	$89 - $817 (4.62% of HQW up to 85% of AWW in preceding CY, plus the greater of $10 or 7% of the individual's benefit rate for each dependent, up to 5 dependents); $1,102 maximum WBA with 5 dependents	1 - 30 weeks

TABLE 8-6: WAITING PERIOD		
State	**Status**	**Additional Information**
CA	All workers	7 consecutive days of disability at the beginning of each uninterrupted period of disability
HI	All workers	7 consecutive days of disability at the beginning of each uninterrupted period of disability
NJ	Employed workers	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
	Unemployed workers	7 consecutive days of disability or 1 week of unemployment if BY satisfies waiting period requirement for TDI during unemployment
NY	Employed workers	7 consecutive days of disability at the beginning of each uninterrupted period of disability
	Unemployed workers	If UI claimant, no waiting period other than that for UI; if not qualified for UI, 7 consecutive days of disability at beginning of each uninterrupted disability period
PR	All workers	7 consecutive days of disability at the beginning of each uninterrupted 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	All workers	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 the temporary disability programs, benefits are paid for partial weeks on a different basis from partial unemployment (except in the New Jersey program) for compensating disability during employment.

TABLE 8-7: PARTIAL WEEKS OF DISABILITY		
State	**Status**	**Additional Information**
CA	All workers	Benefits payable for less than 1 week will be paid in increments of 1/7 WBA
HI	Employed workers	Benefits payable for less than 1 week will be paid in increments of 1/5 WBA
	Unemployed workers	Same as UI

TABLE 8-7: PARTIAL WEEKS OF DISABILITY		
State	**Status**	**Additional Information**
NJ	Employed workers	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
	Unemployed workers	Payment for part weeks of disability combined with employment paid according to UI formula for partial benefits; full week of disability and UI paid at full WBA from disability account
NY	Employed workers	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)
	Unemployed workers	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 as if normal workweek were Monday through Friday)
PR	All workers	Benefits payable for less than 1 week will be paid in increments of 1/7 WBA rounded to higher dollar
RI	All workers	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—The California law 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, adherence to a statutory formula is not required whether workers are insured with the state fund or with a private carrier. Benefits must be actuarially equivalent to the statutory formula. Cash benefits in the formula in table 8-4 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 pay more than 0.5 percent if additional benefits warrant the extra cost.

SURVIVORS' BENEFITS—In California and New Jersey, if a claim for disability benefits was not filed by an otherwise eligible individual prior to his death, a claim may be filed by a 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 an automobile accident that is covered under the Automobile Accident Social Protection Act.

DISQUALIFICATION AND NONMONETARY ELIGIBILITY PROVISIONS

ELIGIBILITY REQUIREMENTS IN ADDITION TO WAGES—Under all the programs, for TDI eligibility, individuals must be in a nonwork status because of disability, and they may be declared ineligible 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 he/she is 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 disability claimant in Hawaii must be in current employment; i.e., an individual who was performing regular service prior to the onset of the disability and who would have continued in employment but for the disability. In addition, a disability 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 failure 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 medical care of a legally 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 ability 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. Although the benefit formula in New York is not related to the benefit formula for UI, individuals who are or would be disqualified from UI benefits are disqualified from disability insurance benefits.

RELATIONSHIP TO WORKERS' COMPENSATION—None of the temporary disability insurance laws is 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, he/she may receive disability benefits subject to reimbursement from any workers' compensation benefits subsequently awarded for that week. Full benefits are payable irrespective of cash payments under a workers' compensation law for permanent disability.

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 his 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 his/her 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 or payable. In Puerto Rico and Rhode Island, a claimant may receive disability benefits if there is doubt as to his eligibility for workers' compensation. If the claimant later receives such benefits, he/she is liable for repayment of the disability benefits. Puerto Rico limits to $65 the maximum weekly benefit amount payable while a claim for workers' compensation is under dispute. 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 eligibility include wages, employer pensions, old-age benefits, and survivors' insurance benefits.

In Rhode Island, claimants collecting TDI who return to work on a partial basis lose their TDI benefits. A claimant who earns less than the weekly benefit rate would be entitled to a partial UI payment. The partial payment allows a person to earn and keep the first 20 percent of the weekly 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. New Jersey and Puerto Rico take such wages into account and limit the total of wages and benefits to the claimant's weekly wages immediately prior to the disability. In Puerto Rico, a pregnant worker may not be paid during any period in which she is receiving benefits under the Act to Protect Working Mothers unless such benefits are less than her weekly disability benefit amount, in which case she may receive the difference. 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, for any day, if otherwise eligible, 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 under the law.

New York deducts from the benefits any payment from the employer or from a fund to which the employer contributes, except supplementary benefits paid pursuant to a collective bargaining agreement. 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 his most recent employer has contributed. In Puerto Rico, any claimant receiving any pension payments or retirement income is denied benefits unless, subsequent to receipt of the pension or retirement payment, he/she has performed services in insured work for at least 15 weeks immediately preceding the disability.

ADMINISTRATION

The systems of disability insurance coordinated with UI use the same wage record procedures for both programs. Claims procedures, however, necessarily differ for UI claimants and for claimants who are not able to work. Disability claims are filed by mail. The first claim or notice of disability is normally filed after the end of the first week of disability. All claims are sent to the central office in both New Jersey and Rhode Island. In California, both the initial and continued claims are sent directly to one of the field offices. In New York, employed workers file claims with their employers, and unemployed workers with the workers' compensation board.

Under all the laws, medical certification of disability in connection with claims is required from the claimant's attending doctor, with minor differences in the types of medical personnel permitted to certify. California, Hawaii, and New York accept certification from an authorized religious practitioner with respect to the illness of a member of his/her group. All the state laws give the agency authority to require that claimants, without cost to themselves, submit to examination by a designated licensed physician.

Individuals who are dissatisfied with determinations on their disability claims have the right to appeal under all state laws. In the states with disability and UI 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
ABP – alternative base period
AW – annual wage
AWW –average weekly wage
BP – base period
BPW – base period wages
BY – benefit year
CQ – calendar quarter
CY – calendar year
DA – dependents' allowance
EB – extended benefits
EBP – extended base period
FUTA – Federal Unemployment Tax Act
HQ – high quarter
HQW – high quarter wages
IUR – insured unemployment rate
MQ – multi-quarter
OP – overpayment
SEA – self employment assistance
STC – short time compensation
SSA – Social Security Act
SUTA – state unemployment tax act
TDI – temporary disability insurance
TUR– total unemployment rate
UC – unemployment compensation
UI – unemployment insurance
UTF – unemployment trust fund
WBA – weekly benefit amount
WW – weekly wage

STATE ABBREVIATIONS

The term "state" includes the Distict of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

AL	Alabama
AK	Alaska
AZ	Arizona
AR	Arkansas
CA	California
CO	Colorado
CT	Connecticut
DE	Delaware
DC	District of Columbia
FL	Florida
GA	Georgia
HI	Hawaii
ID	Idaho
IL	Illinois
IN	Indiana
IA	Iowa
KS	Kansas
KY	Kentucky
LA	Louisiana
ME	Maine
MD	Maryland
MA	Massachusetts
MI	Michigan
MN	Minnesota
MS	Mississippi
MO	Missouri
MT	Montana
NE	Nebraska
NV	Nevada
NH	New Hampshire
NJ	New Jersey
NM	New Mexico
NY	New York
NC	North Carolina
ND	North Dakota
OH	Ohio
OK	Oklahoma
OR	Oregon
PA	Pennsylvania
PR	Puerto Rico
RI	Rhode Island
SC	South Carolina
SD	South Dakota
TN	Tennessee
TX	Texas
UT	Utah
VT	Vermont
VA	Virginia
VI	Virgin Islands
WA	Washington
WV	West Virginia
WI	Wisconsin
WY	Wyoming

APPENDIX II

UI INFORMATION ONLINE
(https://oui.doleta.gov/unemploy/)

Federal

On the left column of the page, click on "UI Legislation" and scroll down to the categories below:

- Under "Overview", click on "Unemployment Compensation: Federal-State Partnership"
  Brief explanation of the UI program; updated annually
- Under "Overview", click on "Chronology of Federal Unemployment Compensation Laws" Digests of UI law since the program was established in 1935
- Under "Federal Guidance", click on "UIPLs and other Advisories"
  Directives and Advisories interpreting federal law, sorted by type of directive/advisory and federal fiscal year; new documents issued periodically

State

On the left column of the page, click on "UI Legislation", scroll down to "State Law Information" for the links below:

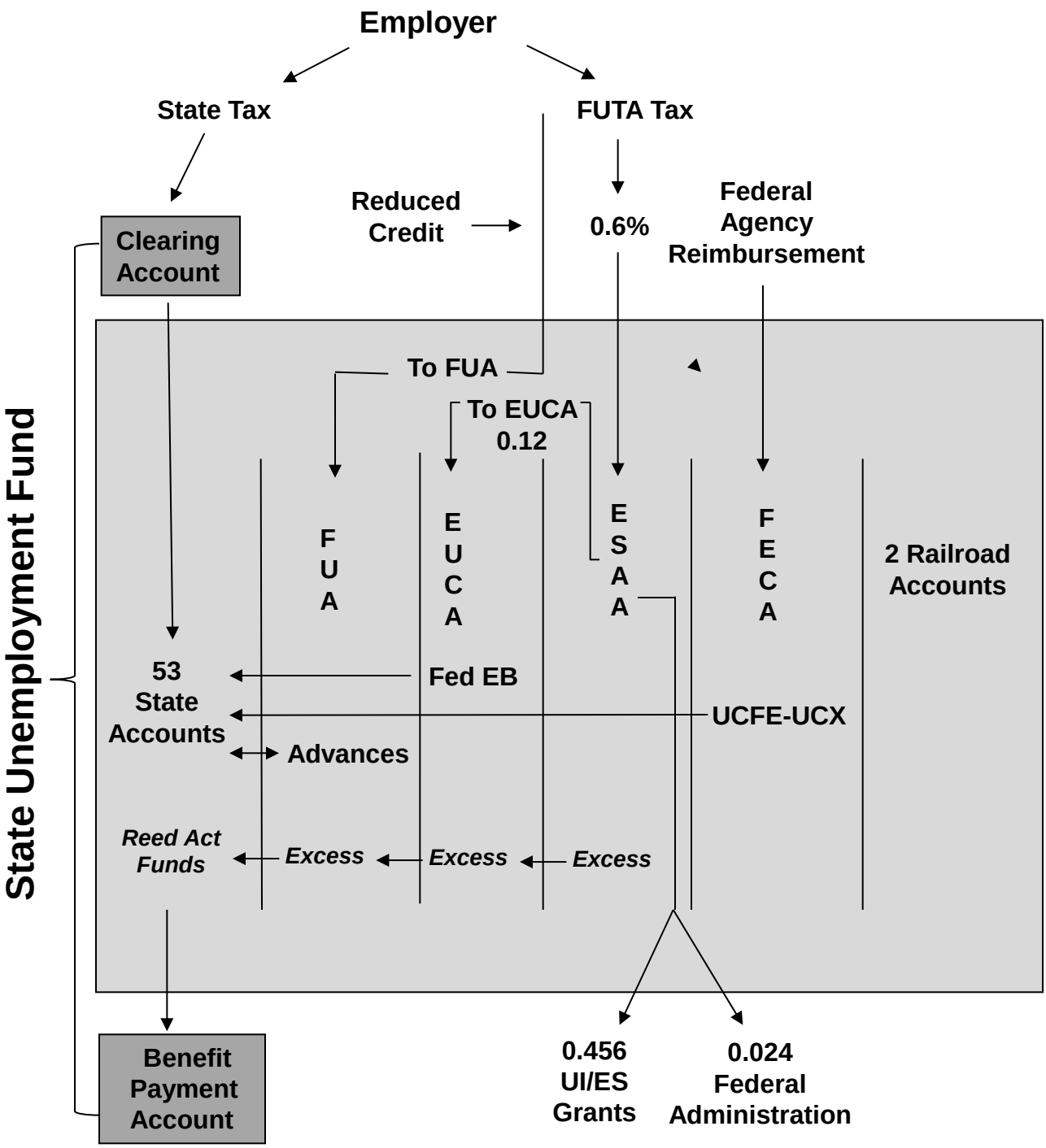
- Click on "Comparison of State UI Laws"
  Detailed information on state UI law; updated annually
- Click on "Significant Provisions of State UI Laws"
  Key elements of state UI programs; updated semiannually

UI Data

On the left column of the page, click on "UI Data" and select the links below:

- Click on "Weekly Claims Report"
  UI claims data at the national and state levels; issued weekly
- Click on "Data Summary"
  Overview of the status of the UI program at the national and state levels; updated quarterly
- Click on "Chartbook"
  Assorted UI-related charts illustrating national and state-by-state data series; updated periodically
- Click on "Program Projections" then click on "UI Outlook"
  Projections of revenues and outlays; updated semiannually

Information concerning the creation of the Unemployment Insurance program in the 1930s is available at https://www.ssa.gov/history.

APPENDIX III

Federal Unemployment Trust Fund