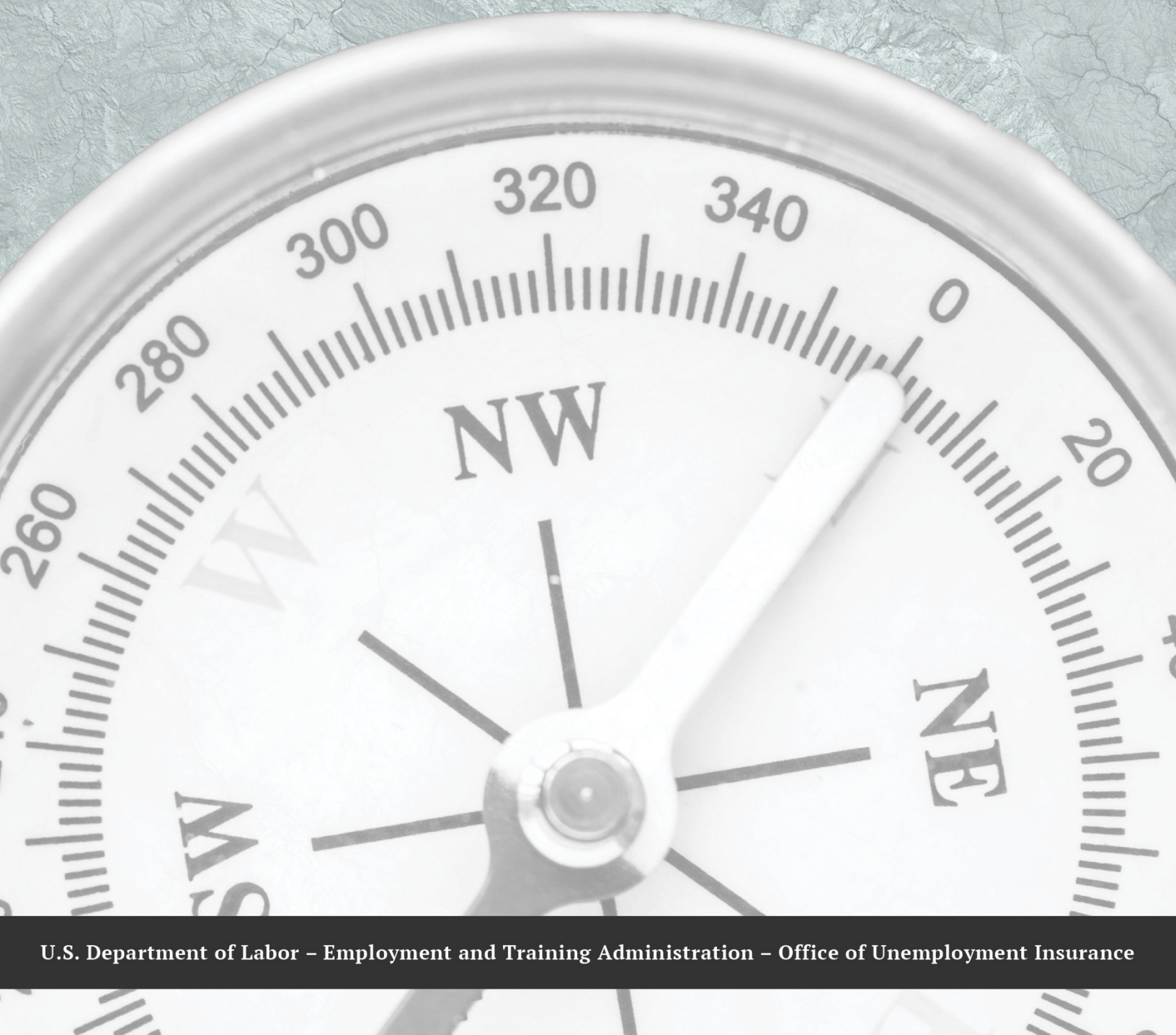


Unemployment Insurance Directors' Guide: *Essential Information for Unemployment Insurance (UI) Directors*

March 2020



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*Essential Information for Unemployment
Insurance (UI) Directors*

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Executive Summary

This Unemployment Insurance (UI) Directors' Guide is a resource of information about the UI program that has been developed for UI Directors by the U.S. Department of Labor's (USDOL's) Employment and Training Administration (ETA)'s Office of Unemployment Insurance (OUI).

The guide outlines the principles establishing the UI program, including information about the Social Security Act (SSA) and the Federal Unemployment Tax Act (FUTA)—the foundations upon which states have built their UI systems. It provides information on the requirements states must meet to be in conformity and compliance with Federal law.

Other topics covered in this guide include the administrative funding process; the requirements a state must meet to be eligible to receive grants for the costs of administration; and information about the Resource Justification Model (RJM), base and above-base funding, Supplemental Budget Requests (SBR), and Reed Act funds. Additional fiscal-related topics include the methods of financing UI benefits, UI tax provisions, trust fund composition and management, trust fund advances (loans) during high-unemployment periods, administrative funding for program operations and employer tax account types and related tax calculation methodologies.

UI benefit programs are explained in detail, including information regarding how an individual's monetary entitlement and eligibility are determined; disqualifications and ineligibilities; and descriptions of the claim types available—including intrastate and interstate claims, combined wage claims, Unemployment Compensation for Federal Employees, Unemployment Compensation for Ex-servicemembers, Disaster Unemployment Assistance and Federal-State Extended Benefits, and Short-Time Compensation.

Federal initiatives that affect UI claimants such as the Worker Profiling and Reemployment Services (WPRS), Reemployment Services and Eligibility Assessments (RESEA), and the Workforce Innovation and Opportunity Act (WIOA) are also detailed.

The guide includes information concerning the many program performance and accountability processes for the UI system, including the Benefits Timeliness and Quality (BTQ) process, Benefit Accuracy Measurement (BAM), Appeals reviews, Data Validation; and the Tax Performance System (TPS). In addition to these reviews, beginning in Federal Fiscal Year (FFY) 2017 a new self-assessment tool was implemented in all states that will allow each state to review a wide range of its UI operational elements within the functional areas of UI benefits.

The guide also describes integrity and quality initiatives, and the programs that are in place to monitor key performance measures and to inform corrective action when needed, including the State Quality Service Plan (SQSP) process. A point of emphasis regarding program integrity involves the level of improper payments in the state, and initiatives that have been implemented



to reduce the improper payment rate and facilitate recovery of those improper payments. Additionally, helpful information is provided regarding staffing regulations, including the use of merit staff.

In many instances, hyperlinks are provided to resource documentation, such as applicable Federal law and other helpful information, including USDOL guidance advisories, the Federal Register, and Code of Federal Regulations. USDOL web pages provide a variety of information such as data on program performance, budget, comparison of state UI laws, and program handbooks. Information is also provided concerning National Association of State Workforce Agencies (NASWA), the UI-Information Technology Support Center (ITSC), and the UI Integrity Center of Excellence, which are organizations that work closely with USDOL providing services and support to states.

Introduction

The Federal-State Unemployment Compensation (UC) program created by the Social Security Act of 1935, also referred to as the UI program, offers the first economic line of defense against the effects of unemployment. Through payments made directly to eligible unemployed workers, it ensures that the need for at least a significant proportion of the necessities of life—most notably food, shelter, and clothing—can be met on a week-to-week basis while a search for work takes place. As temporary, partial wage replacement to the unemployed, UC is of vital importance in maintaining purchasing power and in stabilizing the economy in times of economic downturn. This is evidenced by the numerous studies which have found that during times of high unemployment each dollar of UC benefits paid will result in between \$1.55 to \$2.00 of economic activity.*

In addition to providing workers a much-needed safety net, the UC program provides employers the benefit of maintaining a trained workforce in the local labor market, available to return to work when needed. The UC program operates counter-cyclically, paying out higher levels of benefits during recessionary times and recouping those higher costs during recovery periods.

Most workers are covered by UC under state or Federal UC laws. States are responsible for administering their individual state UC programs, and they act as agents of the Federal government in administering certain Federal UC programs (discussed below) under agreements with the Secretary of Labor.

Unemployment compensation is a social insurance program, but unlike many other safety net programs, eligibility for UC is not means-tested—all qualifying workers regardless of means are entitled to the benefits of this program. Entitlement is established only if the claimant has a

* For example, see 2010 IMPAQ study “*The Role of Unemployment Insurance as an Automatic stabilizer During a Recession*” https://wdr.doleta.gov/research/FullText_Documents/ETAOP2010-10.pdf



sufficient employment history, in accordance with the state's UC law. It is designed to provide benefits to eligible individuals who are unemployed (or partially unemployed) due to non-disqualifying reasons under the state UC law. To qualify for benefits, jobless workers must demonstrate workforce attachment, must be able to work and available for work, and generally must meet other eligibility requirements while they seek work. UC benefits are financed almost wholly through an employer tax that is based upon their experience in the unemployment compensation system; that is, the length of time they have operated in the state, the amount of unemployment tax paid, the amount of unemployment benefits paid to their workers, and the employer's industry.

The regular state UC program is a federal-state partnership based upon Federal law but administered by state employees under state law. Because of this structure, the program is unique among the country's social insurance programs. The UC program is also unique in that it is almost totally funded by employer taxes, either Federal or state, with only three states collecting taxes from employees.

The SSA (http://www.ssa.gov/OP_Home/ssact/title03/0300.htm) and the Federal Unemployment Tax Act (FUTA) (<https://www.govinfo.gov/content/pkg/USCODE-2017-title26/pdf/USCODE-2017-title26-subtitleC-chap23.pdf>) define broad coverage provisions, some benefit provisions, the Federal tax base and rate, and administrative requirements.

The following responsibilities are the major functions of the Federal government:

- Ensure conformity and substantial compliance of state law, regulations, rules, and operations with Federal law.
- Determine administrative fund requirements and provide money to states for proper and efficient administration.
- Interpret Federal law, set broad overall policy for administration of the program, develop performance accountability metrics and reporting processes, monitor state performance, and provide technical assistance to states.
- Hold and invest all money in the unemployment trust fund (UTF) until drawn down by states for the payment of compensation.
- Provide advances to states whose accounts in the UTF have insufficient funds to pay UC when due.

Financing Unemployment Insurance Benefits

Pursuant to the provisions of the FUTA, a Federal tax is levied on covered employers at a current rate of 6.0 percent on wages up to \$7,000 a year paid to an employee. The rate dropped from 6.2 percent as of July 2011. 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 UC 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 rate of 0.6 percent, or a maximum \$42 per covered employee, per year.

This Federal tax is used to fund a number of UC related expenditures, including the following expenditures:

- Federal and state administrative costs associated with UC programs (this is the source of your state's administrative grants).
- The Federal share of benefits paid under the Federal-State Extended Unemployment Compensation Act of 1970.
- The loan fund for advances to states under Title XII of the SSA, from which an individual state may borrow when it lacks funds to pay UC due for any month.
- Benefits under some of the Federal supplemental and emergency programs.

In addition, the FUTA tax is used to fund labor exchange services, employment and training services for veterans and disabled veterans, and some labor market information program activities.

Under FUTA, states must have a taxable wage base of at least \$7000, but most states have a higher taxable wage base.

Unemployment Insurance Tax

Almost all wage and salary workers are now covered by the Federal-State UC program. Railroad workers are covered by a separate Federal program. Ex-servicemembers with recent service in the Armed Forces and civilian Federal employees are covered by separate Federal programs, with the states paying benefits from Federal funds as agents of the Federal government. See [Other Unemployment Insurance Benefits Programs](#) for more information regarding the unemployment compensation for Federal Employees and unemployment compensation for Ex-servicemembers for more information regarding these programs.

If a state law meets minimum Federal requirements under FUTA and Title III of the SSA, the state is entitled to the following benefits:

- Employers receive up to a 5.4 percent basic and additional tax credit against the 6.0 percent Federal unemployment tax.
- The state is entitled to Federal grants to cover all the necessary costs of administering the program.



Conformity Requirements for State UC Laws

Federal Law Requirements for the Normal Tax Credit

The Federal requirements for certification by the Secretary of Labor for a state's employers to be eligible to receive the normal credit against the Federal Unemployment Tax are outlined in Section 3304, FUTA (<http://www.gpo.gov/fdsys/pkg/USCODE-2017-title26/pdf/USCODE-2017-title26-subtitleC-chap23-sec3304.pdf>). These provisions define the minimum Federal requirements for a state's UC program.

Federal Law Requirements for the Additional Tax Credit

A State whose UC law is certified by the Secretary of Labor for the normal tax credit may be eligible for certification for the state's employers to receive the additional tax credit provided the state assigns employer tax rates based on experience with unemployment as outlined in section 3303, FUTA (<https://www.govinfo.gov/content/pkg/USCODE-2017-title26/pdf/USCODE-2017-title26-subtitleC-chap23-sec3303.pdf>).

State UC Program Structure

Each state designs its own UC program within the framework of the Federal requirements. The state statute sets forth the benefit structure (e.g., eligibility/disqualification provisions, benefit amount) and the state tax structure (e.g., state taxable wage base and tax rates). These responsibilities are the primary functions of the state:

- Determine operation methods and directly administer the program.
- Take claims from individuals, determine eligibility, and insure timely payment of benefits to eligible workers.
- Determine employer liability and assess and collect contributions.

Most states currently pay a maximum of 20 to 26 weeks, although Massachusetts pays up to 30 weeks. A few states predicate the maximum number of weeks payable on the state's unemployment rate. In periods of very high and rising unemployment in individual states, benefits are payable for up to 13 additional weeks (20 in some cases), up to a maximum of 39 weeks (or 46). These "extended benefits" are funded on a shared basis—half from state funds and half from Federal sources.

In periods of national recession, when all states are impacted by high and sustained unemployment, Congress may enact Federally-funded programs of supplemental benefits. There were two such programs during the 1970s, one during the early 1980s, one during the 1990s, and one during the early 2000s. The most recent extension program was the Emergency



Unemployment Compensation program of 2008 (EUC08), which was effective from July 2008, through January 1, 2014.

Unemployment Trust Fund

The Unemployment Trust Fund (UTF) in the U.S. Treasury consists of 59 accounts:

- **The book account for each state (defined as the 50 states, District of Columbia, Puerto Rico, and the U.S. Virgin Islands).** Each state account consists of the contributions and reimbursements collected by the state. Interest earned on these amounts is credited to the state accounts. 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 pursuant to Title XII of the SSA.
- **The Federal Employees Compensation Account (FECA).** This fund finances benefit payments to former Federal and military employees.

Budget and trust fund information is available through OUI's Division of Fiscal and Actuarial Services (<http://oui.doleta.gov/unemploy/budget.asp>).

Provisions Relating to Trust Fund Advances (Also Known as Loans)

If it is anticipated that the balance in a state's unemployment fund is insufficient to pay expected benefit claims during a specified period of time, the state's Governor may request a loan from the Secretary of Labor. Such loans are made from the FUA in the UTF, in accordance with Title XII of the SSA (http://www.ssa.gov/OP_Home/ssact/title12/1200.htm).

In order to assure that a state will repay any loans it secures from the fund, the law provides that when a state has an outstanding loan balance on January 1 for two consecutive years, the full amount of the loan must be repaid before November 10 of the second year, or the Federal tax on employers in that state will be increased for that year and further increased for each subsequent year that the loan has not been repaid.



Specifically, the 5.4 percent credit is reduced in successive increments of a minimum 0.3 percent for each year in which a loan or loans remain unpaid (reducing the overall credit from 5.4 to 5.1, to 4.8, to 4.5 percent, etc.). Additional offset credit reductions may apply to a state beginning with the third and fifth taxable years if a loan balance is still outstanding and certain criteria are not met.

Interest on Loans

Except for cash flow loans (loans obtained and repaid January through September), interest is charged on all loans. The rate is the lesser of 10 percent or the rate at which interest was paid on the state reserve balance in the Federal UTF for the last quarter of the preceding calendar year.

This rate is announced each year, for example see TEN No. 15-18

(https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7021). Interest paid by states is credited to the FUA in the UTF. Interest is due and payable on the last day of the fiscal year, September 30, in which the loans were made.

A state will lose all offset credit (5.4 percent) for any year in which all interest due under law is not paid by the date on which such interest is required to be paid. The state will also lose all grants for costs of administration until interest due has been paid.

Interest payments may not be made from the state UC fund by directly or indirectly diverting some part of UC taxes. Violations of this requirement will lead to decertification of the state law and loss of all employer tax credits and loss of grants for costs of administration.

More information regarding interest on loans may be found in UIPL No. 05-93

(http://www.ows.doleta.gov/dmstree/uipl/uipl93/uipl_0593.htm).

State Administrative Funding

Approval for Grants for Costs of Administration

Title III of the SSA provides payments from the Federal UTF to the states to meet the necessary costs of administering the UC programs in the states. Under Title III, the UI administrative grants are only available to those states that have a UC law approved under FUTA and that have been certified by the Secretary of Labor as meeting the following conditions:

- Section 303(a)(1), SSA, methods of administration (including a state merit system) which will ensure full payment of UC when due.
- Section 303(a)(2), SSA, all compensation is to be paid through public employment offices or through other approved agencies.
- Section 303(a)(3), SSA, for fair, impartial hearings to individuals whose claims for UC have been denied.



- Section 303(a)(4), SSA, all of the funds collected under the state program are deposited in the Federal UTF (Title IX of the SSA prescribes the distribution of the tax revenue among the various accounts of the trust fund).
- Section 303(a)(5), SSA, all money withdrawn from the state trust fund account will be used either to pay UC, exclusive of administrative expenses, to refund amounts erroneously paid into the fund, or for other specified activities.
- Section 303(a)(6), SSA, reports required by the Secretary of Labor.
- Section 303(a)(7), SSA, information to Federal agencies administering public works programs or assistance through public employment.
- Section 303(a)(8), SSA, for limitation of expenditures to the purpose and amounts found necessary by the Secretary of Labor for proper and efficient administration of the state UC law.
- Section 303(a)(9), SSA, for repayment of any funds the Secretary of Labor determines were not spent for UC purposes or exceeded the amounts necessary for proper administration of the state UC law.
- Section 303(a)(10), SSA, as a condition of eligibility, any claimant referred to reemployment services pursuant to the profiling system must participate in such services.
- Section 303(a)(11), SSA, requires at the time the agency determines an erroneous payment from its unemployment fund was made to an individual due to fraud committed by such individual, the assessment of a penalty on the individual in an amount of not less than 15 percent of the amount of the erroneous payment. Additionally, the assessments collected pursuant to this provision shall be immediately deposited into the unemployment fund of the State.
- Section 303(a)(12), SSA, requires as a condition of eligibility for regular compensation for any week, a claimant must be able to work, available to work, and actively seeking work.
- Section 303(c)(1), SSA, information to the Railroad Retirement Board as the Board deems necessary.
- Section 303(c)(2), SSA, reasonable cooperation with every agency of the United States charged with the administration of any UC law.
- Section 303(c)(3), SSA, that any interest on advances be paid by the date on which it is required to be paid or is not paid, directly or indirectly by an equivalent reduction in state unemployment taxes or otherwise, by such state from amounts in the state's trust fund account.



- Section 303(d)(1)(A)(i-iv), SSA, information to the Department of Agriculture and state food stamp agencies with respect to employee wages, UC benefits, home address, and job offers.
- Section 303(e)(1)(A), SSA, information to any state or local child support enforcement agency with respect to employee wages.
- Section 303(d)(2)(B), SSA, that a claimant disclose whether or not he/she owes child support obligations and that deductions from benefits shall be made for any such child support obligations, with the amount of such deduction paid by the state UC agency to the appropriate child support agency.
- Section 303(f), SSA, information requested and exchanged for purposes of income and eligibility verification in accordance with a state system meeting the requirements of Title XI of the SSA; the UC wage record system may, but need not, be the required state system.
- Section 303(e)(1)(B), SSA, information to the Secretary of Health and Human Services on a reimbursable basis, with respect to employee wages, UC benefits, and home address for the purpose of establishing a National Directory of New Hires.
- Section 303(i)(1)(A), SSA, information to officers and employees of the Department of Housing and Urban Development and to representatives of public housing agency with respect to employee wages and UC benefits.
- Section 303(j)(1), SSA, for establishment and use of a system of profiling new claimants of regular compensation to identify those likely to exhaust such compensation and need reemployment services.
- Section 303(a)(10), SSA, a requirement that, as a condition of eligibility for regular UC, claimants participate (unless exempt) in reemployment services if referred under the profiling system.
- Section 303(k)(1)(A), SSA, mandatory transfer of unemployment experience whenever there is substantially common ownership, management, or control of two employers, and one of these employers transfers its trade or business (including its workforce), or portion thereof, to the other employer (applies to total and partial transfers); and, under certain conditions, prohibition of transfer when a person who is not an employer acquires the trade or business of an existing employer.
- Section 303(a)(12), SSA, work search requirements for claimants collecting state and Federal UC benefits.
- Section 303(g)(1)(A), SSA, reduction of current state and Federal UC benefits to recover prior overpayments of state and Federal UC benefits (including Federal Additional



Compensation) and use of rules for recovering Federal overpayment that are just as aggressive as those states use to recover state UC overpayments.

Administrative Funding Process

Resource Justification Model

The Resource Justification Model (RJM) is an annual report submitted by state workforce agencies containing actual UI administrative cost data from their accounting records. The data is initially reviewed by Regional Offices for accuracy and any concerns are resolved before the data are sent to the National Office for further review. The data collection is scheduled to be completed by the last Friday in January; and consists of program expenditures and hours worked by state staff broken out by functional activity for the most recent Federal fiscal year. This information, along with actual workloads reported by states, allows for the calculation of productivity factors, or minutes per units, and salary rates experienced by the state. The productivity factors are then applied to base workloads projected by the National Office to project staffing levels needed to process the workloads, and the resulting staffing levels are multiplied by the salary rates to estimate administrative costs for staff. Non-personnel costs are also collected and factored in projected costs. These estimated administrative costs are calculated outside the constraints of the Congressional appropriation and do not reflect the actual administrative costs due the state agency.

Detailed budget information can be obtained on the U.S. Department of Labor's Web site at <https://www.dol.gov/general/budget>.

Base and Above-Base Funding

The UI administrative cost data reported through the RJM process is used by the National Office in the allocation of administrative funding to states. This RJM information, along with base workloads projected by the National Office, is processed through a resource allocation model to determine base allocations for each state for the next fiscal year. Base allocations are typically announced in late June or early July. To the extent that actual workloads exceed those levels allocated in base, states earn above-base administrative funding. The above-base computations are reported on a quarterly basis via the UI-3 report. Due to the fact that above-base funding must fit within available appropriated resources, the reimbursement rate per FTE may be less than 100% of the base funding rate.



Special Funding Opportunities

Supplemental Budget Requests

When funds are available, the U.S. Department of Labor may offer states the opportunity to submit supplemental budget requests (SBRs) for performance improvement, integrity, and technology-related projects. SBRs may be awarded on a competitive basis or based upon the merit of the proposed project(s). Also, states can submit proposals individually, or when a project suits the needs of multiple states, they can submit proposals as a consortium.

Each type of SBR award carries with it specific, unique requirements for the obligation and expenditure of the grant funds. Upon award of a grant, the state should become familiar with the specific requirements and develop a monitoring system to ensure funds are expended only for the purpose identified in the SBR and/or any approved modifications, as well as full compliance with all obligation and expenditure deadlines. Non-technology projects such as improved operations, RESEAs, and worker misclassification must be obligated by September 30 of the second fiscal year following the year for which the funds are appropriated. Language enacted in FY 2014 allows states three years to obligate and five years to expend funds for automation/information technology acquisitions used to support benefit and tax systems and reemployment services. For state consortia SBRs, the time limits were extended to allow them five years to obligate and six years to expend funds for automation acquisition.

Please note that the state is required to submit financial report ETA 9130 each quarter regarding the SBR project expenditures and completion of project milestones. Also, states with active SBR grants are required to submit ETA 9178 reports each quarter. The ETA 9178 provides narrative reporting information on SBR quarterly expenditures, the completion of specific project milestones, and additional data necessary to assist ETA in monitoring implementation of SBR projects.

Reed Act Funds

Title IX of the Social Security Act provided, under certain conditions, for the transfer of excess funds in the ESAA in the UTF to the individual state accounts. These transferred funds are commonly referred to as Reed Act funds. The most recent distribution of Reed Act funds occurred in 2002. Each state's share of the amount to be transferred is based on the proportion of wages subject to FUTA attributable to the state during the preceding calendar year to the aggregate amount of wages subject to FUTA during the same year for all states.

A transfer of Reed Act funds will occur if the following conditions exist in the Federal accounts of the UTF at the end of a Federal fiscal year (September 30):



- The balance of funds in the EUCA and the FUA have reached their statutory ceilings, and all general revenue advances and related interest to these accounts have been repaid.
- There remains in the ESAA an amount in excess of the account's statutory ceiling. The excess amount in the ESAA is then transferred to state accounts in the UTF at the beginning of the following Federal fiscal year.

Under the SSA, the primary purpose of Reed Act funds is the payment of "cash benefits to individuals with respect to their unemployment, exclusive of expenses of administration". However, subject to conditions specified in Section 903(c)(2), SSA (https://www.ssa.gov/OP_Home/ssact/title09/0903.htm), a state is permitted, at its discretion, to use Reed Act funds for "the administration of its unemployment compensation law and public employment offices."

Also, some states may still have funds available from the special transfers for Unemployment Compensation Modernization and Administration provided in 2009. For more information see UIPL 14-09 (<https://wdr.doleta.gov/directives/attach/UIPL/UIPL14-09.pdf>), UIPL 14-09 Change 1 (<https://wdr.doleta.gov/directives/attach/UIPL/UIPL14-09c1.pdf>), and https://oui.doleta.gov/unemploy/approved_applications.asp.

State Trust Funds

Each state maintains its own unemployment trust fund for the purpose of managing unemployment insurance taxes paid by employers; and is the source of funds used to pay unemployment compensation pursuant to the state's law.

- The "immediate deposit" requirement found in Section 303(a)(4), SSA, as a condition for a state receiving administrative grants and Section 3304(a)(3), FUTA, as a condition for certification of a state's UC law, provides that all money received in the unemployment fund shall...immediately upon such receipt be paid over to the Secretary of the Treasury to the credit of the Unemployment Trust Fund established by Section 904 of the Social Security Act.
- The "withdrawal standard" set forth in Section 303(a)(5), SSA, as a condition for a state receiving administrative grants and Section 3304(a)(3), FUTA, as a condition for certification of a state's UC law provides that all money withdrawn from the unemployment fund of the state shall be used solely in the payment of unemployment compensation, exclusive of expenses of administration.
- Section 3306(f), FUTA, defines the term "unemployment fund," in relevant part, as meaning: a special fund established under a state law and administered by a state agency, for the payment of compensation. Any sums standing to the account of the state agency in the Unemployment Trust Fund established by Section 904 of the Social Security



Act...shall be deemed to be a part of the unemployment fund of the state, and no sums paid out of the Unemployment Trust Fund to such state agency shall cease to be a part of the unemployment fund of the state until expended by such state agency. An unemployment fund shall be deemed to be maintained during a taxable year only if throughout such year ...no part of the monies of such fund was expended for any purpose other than the payment of compensation (exclusive of expenses of administration) and for refunds of sums erroneously paid into such fund...

The U.S. Department of Labor issues an annual trust fund solvency report for all states. Trust fund reserves normally increase during good economic times when claims workloads are low so that they are available for paying benefits during economic downturns. The measure for the trust fund's "health" is its Average High Cost Multiple (AHCM), which represents the number of years a state's account in the UTF could pay benefits at a rate equivalent to the benefits paid during an average recession, without receiving any additional revenue. An AHCM rate of at least 1.00 is desirable, representing one year's benefits in reserve. The annual Trust Fund Solvency Report can be found at <https://oui.doleta.gov/unemploy/solvency.asp>.

The state maintains a bank account from which unemployment insurance benefit payments are issued. Each day, the state will "draw-down" a sufficient amount of funds to pay all benefits for each program, including regular UI, Federal claims, military claims, and extended benefits programs that are in effect, if any. Grants for program administration, supplemental grants, and trust fund monies for the payment of benefits must be accounted for individually and cannot be co-mingled.

State Unemployment Insurance Tax

All states finance UC primarily through contributions from subject employers on the wages of their covered workers. In addition, three states (Alaska, New Jersey, and Pennsylvania) collect contributions from employees. These taxes are deposited by the state into its account in the UTF in the Federal Treasury and are withdrawn as needed to pay benefits.

Liable Employers

An employer is subject to the Federal unemployment tax if, during the current or preceding calendar year, the employer employed one or more individuals in each of at least 20 calendar weeks, or if the employer paid wages of \$1,500 or more during any calendar quarter of either such year. Variations on these requirements relate to employers in agriculture and domestic service:

- In agriculture, employers who have at least 10 or more workers in each of at least 20 calendar weeks in the current or preceding calendar year or a cash payroll of at least \$20,000 during any calendar quarter in either such year are subject to the tax.



- In domestic service, employers who have a cash payroll of at least \$1,000 in any calendar quarter in the current or preceding calendar year are subject to the tax.

Taxable wages are defined as all remuneration from employment in cash or in kind with certain exceptions. The exceptions include earnings in excess of the state's earnings maximum in a year, and payments related to retirement, disability, hospital insurance, or similar fringe benefits.

Although the extent of state coverage is greatly influenced by the Federal statute, each state is, with a single exception, free to determine the employers who are liable for contributions and the workers who accrue rights under the laws. The exception is the Federal requirement that states provide coverage for employees of nonprofit organizations, services performed for Indian tribes, and employees of state and local governments, even though such employment is exempt from FUTA.

Experience Rating and the Federal Requirements

The system under which employers are assigned tax rates in accordance with their individual experience with unemployment (and subject to the needs of the state program) is referred to as experience rating. Employers with at least three years of experience must be rated based on experience. The experience rate for all employers must be computed at least once a year, and a uniform method of computation must be used ensuring the same factor or factors are used for all employers that are rated during the same period of time—so that employers with the same experience with respect to unemployment risk pay the same tax rate. Within the confines of the general Federal requirements, the experience rating provisions of state laws vary greatly. Though provisions have changed over the years, present Federal law permits reduced rates in the following instances:

- Reduced rates (rates below the 5.4 standard or basic rate) for employers with at least one year of experience with respect to unemployment or other factors bearing a direct relation to unemployment risk.
- Reduced rates (but not less than 1.0 percent) for newly subject employers on a reasonable basis.

In addition, credit is allowed for the difference between the contributions paid and the amount that would have been paid at the highest rate under the system, up to a cap of 5.4 percent.

State Requirements for Experience Rating

All state laws provide for a system of experience rating under which individual employers' contribution rates vary from the standard rate on the basis of the amount of unemployment encountered by their employees.

The experience-rating provisions of state laws vary considerably. The most significant variations arise from differences in the formulas used for rate determination. The factor used to



measure experience with unemployment is the basic variable which makes it possible to establish the relative incidence of unemployment among the workers of different employers. Differences in such experience represent the major justification for differences in tax rates, either to provide incentives for stabilization of employment or to allocate the cost of unemployment. At present there are four distinct systems, usually identified as reserve-ratio, benefit-ratio, benefit-wage-ratio, and payroll-decline formulas. A few states have combinations of the systems. More detailed information on each system can be found in OUI's annual publication of the *Comparison of State Unemployment Insurance Laws* (<https://oui.doleta.gov/unemploy/statelaws.asp#sigprouilaws>).

In spite of significant differences, 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—for example, payrolls—to establish the relative experience of large and small employers.

Reimbursing Employers

A reimbursing employer is any governmental entity or other organization (or group of governmental entities or any other organizations) which makes reimbursements in lieu of contributions to the state unemployment fund. Reimbursing employers are billed each quarter for UC benefits paid to their former employees in the previous calendar quarter. They reimburse the UC trust fund on a dollar-for-dollar basis for benefits paid that are attributable to service with that employer.

Worker Misclassification

Worker misclassification occurs when an employer incorrectly classifies a worker as a non-employee, such as an independent contractor. Consequently, employers do not remit the appropriate amount of Federal and state employment taxes, and workers may not receive unemployment insurance benefits, or the appropriate protections afforded to them as employees under the Fair Labor Standards Act. Misclassifications can result from erroneous interpretation of the rules or from intentional disregard of the law.

The rules that determine classification for employment at the Federal level follow common law. For the Internal Revenue Service (IRS), the facts that provide evidence of the degree of the right of direction and control and independence fall into three categories:

- **Behavioral:** Does the company control or have the right to control what the worker does and how the worker does his or her job?
- **Financial:** Are the business aspects of the worker's job controlled by the payer?



- **Type of Relationship:** Are there written contracts or employee-type benefits, such as pension plan, insurance, vacation pay, etc.? Will the relationship continue and is the work performed a key aspect of the business?

These factors are evaluated on IRS Form SS-8, which employers and workers can file with the IRS to request a determination of the status of a worker for purposes of Federal employment taxes and income tax withholding. State unemployment insurance agencies use their own rules to determine whether to categorize an activity as employment for state UI purposes.

SUTA Dumping

SUTA (State Unemployment Tax) dumping is a merger, acquisition, or restructuring scheme by which an employer attempts to shift workforce or payroll between entities to avoid established unemployment tax rates or liability. A SUTA Dumping Detection System was developed by the U.S. Department of Labor and has been deployed in many states.

Reference: UIPL No. 30-04 (https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=1596).

Unemployment Insurance Benefits

Benefits Rights

There are no Federal standards for benefits in terms of qualifying requirements, benefit amounts, or duration of regular benefits. Hence, there is no common pattern of benefit provisions comparable to that in coverage and financing.

A worker's benefit rights depend on his/her experience in covered employment in a past period of time, called the base period (generally the first four of the last five completed calendar quarters). The time period during which the weekly rate and the duration of benefits determined for a given worker apply to such worker is called the benefit year.

The qualifying wage or employment provisions attempt to measure the worker's attachment to the labor force. An insured worker must also be free from disqualification for causes which vary among the states. Many states require a claimant to serve a waiting period before his/her unemployment may be compensable.

The amount payable for a week of total unemployment is defined in the state law. Usually a week of total unemployment is a week in which the claimant performs no work and receives no pay. In most states a worker is partially unemployed in a week of less than full-time work when the worker earns less than their weekly benefit amount. The benefit payment for such a week is the difference between the weekly benefit amount and the part-time earnings, usually with a small discrepancy as a financial inducement to take part-time work.



Qualifying Wages and Employment

A claimant must have earned a specified amount of wages or worked a certain number of weeks or calendar quarters in covered employment or must have met some combination of the wage and employment requirements within his/her base period, to qualify for benefits. The purpose of such qualifying requirements is to restrict benefits to covered workers who are genuinely attached to the labor force.

Unemployment Compensation Computation

Unemployment is generally measured in terms of calendar weeks. A “weekly benefit amount” is the amount payable for a week of total unemployment. It varies with the worker's past wages within certain established minimum and maximum limits. A claimant must meet the state requirements for wages earned or time worked during the base period. The base period and the formula for computing benefits from these past wages vary greatly among the states. Many states utilize an alternative base period option when a claimant cannot establish entitlement using the traditional base period.

Thirteen states provide an additional Dependents Allowance above and beyond the basic benefit amount payable if the claimant has qualifying dependents.

Benefit Eligibility and Disqualification

To receive benefits, a claimant must be able to work and available for work, and actively seeking work. Also, the claimant must be free from disqualification for such acts as voluntary leaving without good cause, discharge for misconduct connected with the work, and refusal of suitable work. The purpose of these provisions is to limit payments to workers unemployed primarily as a result of economic causes.

Many states have adopted the definition of misconduct established in the 1941 Wisconsin Supreme Court Case, *Boynston 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.” Further, some states consider the most egregious instances of misconduct, i.e. theft, fraud, or intentional damage to the employer’s property, to constitute “gross misconduct” which carries with it greater disqualifications, often including the cancellation of wage credits used for entitlement.

Claimants who are held ineligible for benefits because of inability to work, unavailability for work, refusal of suitable work, or any other disqualification are entitled to a notice of determination and notice of their right to appeal the determination. If a claimant is disqualified/denied benefits, they have the right to file an appeal with the appropriate appeal



authority in the state agency. They must do so within an established time frame. An employer may also appeal a determination if the employer does not agree with the state's determination regarding the claimant's eligibility.

Filing a Claim

A claimant should file an initial claim upon becoming unemployed and provide the required information concerning their identity and work history. Thereafter, they must file weekly/biweekly continued claims in a timely manner. The initial claim is generally filed with the state in which they worked, and a claim may be established from wages earned in multiple states, if necessary and beneficial to the claimant. A non-payable waiting week is required by some states and is the first week claimed that would otherwise be compensable. Most states take claims remotely by telephone and Internet, but they must also provide alternative filing methods for individuals who cannot file remotely. To file a claim in a specific state go to:

<https://www.careeronestop.org/localhelp/unemploymentbenefits/unemployment-benefits.aspx>.

Continued Eligibility

In addition to filing continued claims, claimants generally must register for work with the state Employment Service, remain able to work, available to seek and accept work, and actively seeking work. They must report any earnings from work earned during any week claimed. They must also report any job offers or refusal of work during the week. These claims are usually filed by mail, telephone, or Internet.

When directed, claimants must contact or report to their local American Job Center (formerly known as One-Stop Center/Employment Service Office) for re-employment assessment services.

Benefits are subject to Federal income taxes and must be reported on a claimant's Federal income tax return. States must allow a claimant to have a portion of their benefit withheld for their Federal income tax obligation and some states also allow claimants to voluntarily elect to have a portion withheld for their state income tax obligation. Benefits may be intercepted on behalf of the state's child support agency if the claimant is paying child support through either the child support enforcement agency in the state or the court.

Alien Verification

For UI purposes, an alien must be legally authorized to work when wages are earned as well as at the time benefits are claimed in order to meet the availability for work requirements. A claimant who is not a U.S. citizen or national must present alien registration documentation that the State Workforce Agency (SWA) can use to verify satisfactory immigration status through the Immigration and Naturalization Service (INS).

The Systematic Alien Verification for Entitlements (SAVE), a tool administered by the U.S. Citizenship and Immigration Services, a component of the Department of Homeland Security, is



dedicated to providing program support to participating agencies. The SAVE system has both primary (automated) and secondary (manual, until recently) procedures for verification, as referenced in the SSA, Sections 1137(d)(3) and (4). More information is provided in UIPL No. 12-03, issued on January 2, 2003, (<https://wdr.doleta.gov/directives/attach/UIPL12-03.cfm>) and on the USCIS website at <https://www.uscis.gov/save>.

Appeals

The SSA 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 state laws provide for such appeal tribunals. Further, most state laws provide for a second level of agency appeal review. Individuals who are not satisfied with the outcome of the administrative appeal(s) can appeal their cases in the state court system, Federal courts, and, as a last resort, the U.S. Supreme Court. Employers who have an interest are granted the right to appeal decisions on claims as well.

As a result of the *Java* decision *California Department of Human Resources Development v. Java*, 402 U.S. 121 (1971), discussed in UIPL No. 1126 (https://oui.doleta.gov/dmstree/uipl/uipl_pre75/uipl_1126.htm), 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 unless a decision is subsequently 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. This procedure applies to any determination or decision issued allowing benefits.

Most states specify that findings of fact, conclusions of law, or final orders made by a UI hearing officer or board of review are not binding in any separate or subsequent proceeding brought before any court, judicial, administrative, or arbitration proceeding in that state or the U.S. government. Some state laws provide that information obtained in connection with the UI law may not be used in certain civil lawsuits as well.

Appeals at the initial stage are conducted by one person called a referee, hearing officer, examiner, or administrative law judge. The time period for appealing to the first stage 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 5 to 30 days, which may be extended 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 also extend the time for filing for good cause.



Other Unemployment Insurance Benefits Programs

Federal-State Extended Benefits

Since 1970, Federal law has provided for the extension of the duration of benefits in periods of high and rising unemployment. When the insured unemployment rate in a state reaches certain specified levels, states must extend by 50 percent the benefit duration normally allowed up to a combined overall maximum of 39 weeks. There are also optional provisions for payment of extended benefits (EB), and some states have enacted a voluntary program to pay up to seven additional weeks (20 weeks maximum) of Extended Benefits during periods of extremely high unemployment. The Federal government finances from Federal revenue approximately half of the cost of EB paid during EB periods, including any state benefits paid in excess of 26 weeks.

When a state begins an EB period, it must notify those who have received all of their regular benefits that they may be eligible for extended benefits. Not everyone who qualified for regular benefits qualifies for extended benefits. Likewise, when the state moves off EB or experiences a change, such as the start or end of a new tier of benefits, the state must notify all potentially eligible claimants by mail, as well as through the local media outlets.

The mandatory insured unemployment rate (IUR) is calculated weekly and is the percentage of individuals in covered employment (covered under the unemployment insurance program) who are claiming UC. It is calculated by dividing the number of individuals filing UC claims by the average number of workers in covered employment.

The optional total unemployment rate (TUR) is calculated monthly and is the three-month average, seasonally adjusted, rate of total unemployment.

States must pay EB (13-week duration) if the IUR for the previous 13 weeks is at least 5 percent and is 120 percent of the rate for the same 13-week period in the 2 previous years.

At their option, states may pay EB (13 weeks) if the IUR for the previous 13 weeks is at least 6 percent, regardless of the experience in the previous years.

Another option available for states is to pay EB (13 weeks) if the average TUR, seasonally adjusted, for the most recent three months is at least 6.5 percent and is 110 percent of the rate for the same three-month period in either of the two previous years. If such rate is at least 8.0 percent and is 110 percent of the rate for the same three-month period in either of the two previous years, the duration increases from 13 to 20 weeks.

More information regarding extended benefits can be found in Section 3304 of the Internal Revenue Code of 1986 (<http://www.gpo.gov/fdsys/pkg/USCODE-2017-title26/pdf/USCODE-2017-title26-subtitleC-chap23-sec3304.pdf>).



Temporary/Episodic Federal Unemployment Compensation Extension Programs

From time-to-time when the economy has taken a serious economic downturn, Congress has passed temporary unemployment compensation extension programs intended to provide additional benefits to unemployed workers beyond the regular state UI benefits. These programs have varied in their length and structure, are generally fully Federal funded, and are administered by the states through an agreement with the Secretary of Labor. The most recent implementation of such temporary program was the Emergency Unemployment Compensation (EUC) program, which was effective the week ending July 12, 2008 through January 1, 2014.

Unemployment Compensation - Combined Wage Claims

Combined Wage Claims (CWCs) allow unemployed individuals with employment and wages in more than one state to combine those wages and to pursue a claim for benefits in one state. A CWC establishes a benefit year under the law of a single state to qualify for unemployment compensation. The state parties in a CWC claim consist of a paying state and at least one transferring state. The state in which the individual elects to file the CWC is the “paying state,” provided the individual has employment and wages in that state’s base period(s), and the individual qualifies for benefits under the law of that state using combined employment and wages. A state that transfers wages to be used in establishing the CWC is a “transferring state.” ETA Handbook No. 399, *Interstate Arrangement for Combining Employment and Wages*, located at <https://wdr.doleta.gov/directives/attach/ETAH/ETHand399.pdf>, provides additional information about the CWC process.

Unemployment Compensation for Federal Civilian Employees

States administer the Unemployment Compensation for Federal Civilian Employees (UCFE) program on behalf of the Federal government under agreements with the U.S. Department of Labor. The UCFE program provides unemployment benefits to Federal civilian workers in the same amount and under the same general conditions as provided to other workers under the state UC law. Costs of UCFE benefits are billed to the Federal agencies where the workers earned their base period wages. Wage assignment, for entitlement purposes, is based upon the worker’s last official duty station or their state of residence at the time they file the initial claim, depending on whether the Federal employer was the worker’s last employer (20 CFR 609.8(b)) (http://www.ecfr.gov/cgi-bin/text-idx?SID=2ef0dc4c0a39e807fe46f58e29ee0807&node=se20.3.609_18&rqn=div8).

Unemployment Compensation for Ex-Servicemembers

States administer the Unemployment Compensation for Ex-servicemembers (UCX) program on behalf of the Federal government under agreements with the U.S. Department of Labor. 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 through a UIPL. Costs of UCX benefits are charged to the military branch with which the ex-servicemember performed military service during the base period of their claim.

In general, ex-servicemembers must be honorably discharged and must have completed their first full term of service in order to qualify for UCX. However, ex-servicemembers who did not complete their first full term of service and were separated under honorable conditions and were separated for certain “acceptable narrative reasons” may qualify for UCX. Members of the National Guard and Reserves must have 180 days of continuous active service and be separated under honorable conditions in order to qualify for UCX benefits.

Disaster Unemployment Assistance

Disaster Unemployment Assistance (DUA) provides financial assistance to individuals whose employment or self-employment has been lost or interrupted as a direct result of a major disaster and who are not eligible for regular unemployment insurance benefits. The U.S. Department of Labor oversees the DUA program and coordinates with the Federal Emergency Management Agency (FEMA), which is responsible for providing funds to the state UC agencies for payment of DUA benefits and payment of state administration costs. States operate the program on behalf of the Federal government under agreements with the Secretary of Labor.

When a major disaster has been declared by the President, there are different types of disaster declarations. For DUA to be available, the declaration must be for “individual assistance,” which includes DUA. In the event of a disaster, the affected state(s) will publish announcements about the availability of DUA in coordination with FEMA and the ETA Regional Office. The state UC agency is responsible for making determinations of eligibility for individuals applying for DUA. For an individual to qualify for DUA, one of the following conditions of unemployment must have occurred as a direct result of the disaster:

- The individual has had a week of unemployment following the date the disaster began.
- The individual is unable to reach his/her place of employment.
- The individual was scheduled to start work and the job no longer exists or the individual was unable to reach the job.
- The individual became the major support because the head of household dies a direct result of the disaster.
- The individual cannot work because of an injury caused as a direct result of the major disaster.

In order to be eligible for DUA, individuals who meet one of the qualifying conditions above must also meet all the following eligibility requirements:



- The individual is not eligible for regular UI.
- The individual is unemployed as a direct result of the disaster.
- The individual is able and available for work, unless injured as a direct result of the disaster.
- The individual filed an application for DUA within 30 days of the date of the public announcement of the availability of DUA.
- The individual has not refused an offer of employment in a suitable position.

The maximum weekly benefit amount payable is generally determined under the provisions of the state UC law in the state(s) where the disaster occurred. However, the minimum weekly benefit amount payable is half (50%) of the average benefit amount in the state. The minimum weekly benefit is calculated quarterly and published for states through a UIPL issuance. DUA benefits are generally paid for up to 26 weeks beginning with the first week following the date the major disaster began, and ending with the 26th week following the date the major disaster is declared by the President.

On November 9, 2018, ETA issued Training and Employment Notice (TEN) No. 8-18, announcing the availability of online DUA training modules for state staff. This training is located on the ITSC UI Learning Center at <http://www.itsc.org/Documents/Course%20Descriptions/DUA%20Course%20Description.pdf>.

Trade Adjustment Assistance / Trade Readjustment Allowances

Trade Adjustment Assistance (TAA) provides reemployment services and benefits to eligible workers who have lost their jobs or suffered a reduction of hours and wages as a result of increased imports or shifts in production outside the United States. Overall, the TAA program aims to help program participants obtain and retain new employment and earn wages comparable to their prior jobs.

TAA benefits and services are available to workers under a certification issued by the Department of Labor. The certification is issued in response to a petition filed by a group of three or more workers, by a company official, by American Job Center operators or partners (including State Workforce Agencies and dislocated worker units), or by a union or other duly authorized representative of such workers. Workers' employment must be, or have been, related to the production of articles (products) described in the petition, or service sector workers and workers affected by offshoring or outsourcing to other countries.

Workers covered by a certification are eligible to apply for TAA benefits and services and must meet individual eligibility requirements. Applications may be filed at the local American Job Center. TAA benefits and services include reemployment services, job search allowances,



relocation allowances, transportation allowances, Trade Readjustment Allowances (TRA), and TAA training.

In general, TAA-certified workers may be eligible for TRA after exhausting UI benefits and provided that they enrolled in and/or are participating in TAA training.

Self-Employment Assistance

States are given the option to establish Self-Employment Assistance (SEA) programs to help unemployed workers create their own jobs by starting small businesses. To be eligible for the program an individual must be eligible for unemployment compensation, identified through the profiling system as likely to exhaust his/her benefits, and must participate in self-employment activities including entrepreneurial training and business counseling. Weekly SEA allowances are funded out of each state's account in the UTF at no additional cost to the UC program. No more than 5 percent of claimants may be part of a SEA program.

For a list of states that have adopted SEA programs, see the *Comparison of State Unemployment Insurance Laws* found on ETA's Web site (<https://oui.doleta.gov/unemploy/statelaws.asp>).

Helpful suggestion: The Department and the Small Business Administration have a Web site dedicated to SEA issues, which can be found at the Self-Employment Assistance Center (<https://sea.workforcegps.org/>).

Short-Time Compensation

States may choose to establish a Short-Time Compensation (STC) program—commonly known as work-sharing. STC provides partial UC benefits to individuals whose usual hours of work are reduced to avert the layoff of workers in the affected unit. Employers must submit STC applications to the state's agency for approval to provide to partial UC benefits to those workers whose hours are reduced. The approved plan provides STC benefits when the usual hours of work of the affected work unit is reduced within the range of reduction provided in the state STC law (state law may provide STC benefits when the reduction is at least 10% but no more than 60%). The STC weekly benefit amount is the amount of UC the individual would be entitled to receive if totally unemployed, multiplied by the percentage of reduction from the usual hours of work.

For a list of states that have adopted STC programs, see the *Comparison of State Unemployment Insurance Laws* found on ETA's Web site (<https://oui.doleta.gov/unemploy/statelaws.asp>).



Helpful suggestion: The Department has a Web site dedicated to STC issues, which can be found at <https://stc.workforcegps.org/>.

Worker Profiling and Reemployment Services

The WPRS program created by P.L. 103-152

(http://workforcesecurity.doleta.gov/dmstree/pl/pl_103-152.pdf) requires that UI claimants who are identified through state profiling methods as likely to exhaust benefits and who are in need of reemployment services to transition to new employment participate in reemployment services, such as job search assistance. Participation in the Reemployment Services and Eligibility Assessments (RESEA) program satisfies the WPRS requirements in locations where RESEAs are conducted.

Data elements needed for profiling purposes include claimant characteristics and demographics. Labor market information should be updated in the state's profiling model as needed. Claimants who are on recall or use a union hiring hall are excluded because they are job-attached claimants. The remaining claimants are assigned a probability of benefits exhaustion based upon their profile characteristics. The number of individuals served under the WPRS system depends on the service capacity in the American Job Center(s).

Guidance for the WPRS program can be found in UIPL No. 41-94

(http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=363).

Reemployment Services and Eligibility Assessments (RESEA)

The RESEA program provides reemployment services to targeted UI claimants and ensures their continued eligibility for benefits. Beginning in 2005, the U.S. Department of Labor, Employment and Training Administration funded the voluntary UI Reemployment and Eligibility Assessment (REA) program to address individual reemployment needs of UI claimants, as well as prevent and detect improper benefit payments. In 2015, the Reemployment Services and Eligibility Assessment RESEA program replaced the UI REA program providing greater access to reemployment services in addition to services previously provided under the REA program.

In FY 2018, amendments to the Social Security Act permanently authorized the RESEA program and implemented several significant changes including formula-based funding and a series of requirements intended to increase the use and availability of evidence-based reemployment interventions and strategies. The permanent RESEA program has four purposes:

1. Reduce UI duration through improved employment outcomes.
2. Strengthen UI program integrity.



3. Promote alignment with the vision of the WIOA.
4. Establish RESEA as an entry point to other workforce system partners.

All guidance for the RESEA program, including annual operating guidance, is available on the “RESEA Landing Page” (<https://rc.workforcegps.org/resources/RESEA>), which is part of ETA’s knowledge-sharing site, WorkforceGPS (www.workforcegps.org).

UI and the Workforce Innovation and Opportunity Act

Under the WIOA, the UI program is considered a key program among the other workforce programs that broadly make up the workforce system. The WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. WIOA supersedes the Workforce Investment Act of 1998 and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973.

As a required One-Stop partner program in the local One-Stop delivery system, not only does UI make a financial contribution towards infrastructure costs, but UI claimants benefit from services provided by other One-Stop partners in the American Job Center network. The state UI agency needs to be actively involved in workforce development planning conducted by the state’s workforce board, and is responsible for developing Memoranda of Understanding with local workforce boards. Issues that require UI engagement in both state and local planning processes include how UI is delivered through the One-Stop system, how UI claimants are provided reemployment services through the One-Stop system, and how other UI programs (WPRS, RESEA, STC, SEA) are delivered and/or leveraged through the One-Stop system. In addition, UI wage records are required to be used in the calculation of core workforce program performance measures and UI agencies must coordinate with the workforce programs (except in states where wage record data is collected by a different agency) to put processes in place to make the data available, subject to the confidentiality provisions in 20 CFR 603 that govern the confidentiality of UI data.

The UI program plays a vital role in the comprehensive, integrated workforce system and UI claimants continue to be critical customers of the system. WIOA seeks to modernize the workforce system to provide comprehensive, integrated, and streamlined services and such service delivery requires linking and aligning the different One-Stop partners. It is important that each state UI agency works with other workforce partners to ensure unemployed individuals are receiving the necessary services within the Workforce system.

WIOA requires, as a career service provided in One-Stop centers, the provision of both information and assistance to individuals regarding the filing of an UI claim. As such, individuals directly seeking career services from the One-Stop system should receive meaningful staff-assisted services, as needed. Under WIOA, new language was added to Wagner-Peyser



reemphasizing the need to assist unemployed individuals. Wagner-Peyser funds can be used to support reemployment services and other services to assist UI claimants—including labor exchange services; administering the work test; conducting eligibility assessments; and referring UI claimants to, and providing application assistance for, training and education resources and programs.

The integrated workforce system established by WIOA is intended to provide participants with a customer-focused, seamless, One-Stop experience that includes a professional level of service provided in a timely manner. To provide a truly integrated system, states should align multi-program services, collaborate with workforce partners, and integrate data systems.

Additional information can be found in UIPL No. 14-18 (https://wdr.doleta.gov/directives/attach/UIPL/UIPL_14-18.pdf).

Administrative Infrastructure

Call Center and Web site Operations

Many states, through modernization projects, have implemented telephone claims systems and call centers to support administration of the program. Many systems are capable of managing call volume through the use of queues and may allow for the routing of calls between locations via a virtual call center when the state operates multiple call center locations.

Interactive Voice Response (IVR) systems allow claimants to initiate initial claims by entering basic personal information through a telephone keypad prior to completing their claim application with the assistance of a customer service representative. IVRs are also used to take continued claims and to collect work search reporting.

In addition to their call centers, many states also have deployed an Internet claims system that furthers self-service claims filing for initial and continued claims.

Information Technology Infrastructure

The UI program is reliant upon a robust information technology infrastructure, which provides the Tax unit with the ability to establish employer accounts and assess unemployment insurance taxes, and provides cash management capabilities for the Tax and Fiscal units for managing estate trust funds. The technology infrastructure also provides Benefits with the means to set up unemployment insurance claims; track determinations and control payments based upon those determinations; create and track overpayments and subsequent repayment activity; and handle interactions with other states (combined wage claims), other state agencies (Department of Motor Vehicles, Corrections, etc. for identity verification), and Federal agencies for obtaining wage and separation information and reporting financial and program performance data. For the Appeals unit, the technology infrastructure provides the ability to docket hearings, record



hearings, and implement decisions, including requisite payment adjustments—back pay issuances or creating overpayments. Many states also use integrated imaging and customer relations management (CRM) systems that provide efficiencies in program operations.

Many of the ETA required reports are submitted by the state UI agencies through the dedicated USDOL-provided computer system, called the SUN system, which is used for reporting program performance, workload, and financial data. Performance data reported through the SUN system includes information such as first payment and appeals time lapse, BAM, BTQ, and TPS reviews results.

ETA created the UI-ITSC in 1994 through a cooperative agreement with the State of Maryland to develop products and services and to support state UI agencies with their IT needs (see UIPL No. 33-94). In 2009, the National Association of State Workforce Agencies' Center for Employment Security Education and Research (NASWA/CESER) became the operator of ITSC. The mission of ITSC in recent years has focused on supporting state UI IT modernization efforts.

State UI Agencies are heavily dependent on IT systems to carry out their UI program operations and to pay benefits to claimants in a timely manner. ETA designed the Pre-Implementation Planning Checklist for State UI IT Modernization Project Report to help states avoid unexpected disruptions of service to customers, delays in the payments of benefits, and processing backlogs. The ETA 9177 Report Checklist is a comprehensive checklist that denotes critical functional areas that states must verify prior to launching a new UI IT system, including, but not limited to, technical IT functions and UI business processes that interface with the new system. Any state that is preparing to launch a new UI IT system must certify that it has reviewed and accomplished or has developed an appropriate plan addressing the items detailed in the pre-implementation checklist. The collection will also enable ETA to identify any needed technical assistance as states prepare for the implementation of a modernized system.

Links to Checklist and Instructions:

- https://wdr.doleta.gov/directives/attach/UIPL/UIPL_11-18_Attachment_A_Acc.pdf
- https://wdr.doleta.gov/directives/attach/UIPL/UIPL_11-18_Attachment_B_Acc.pdf
- https://wdr.doleta.gov/directives/attach/TEN/TEN_29-18.pdf

More information about ITSC is provided in the [Other Resources](#) section of this document.

State Information Data Exchange System

The State Information Data Exchange System (SIDES) allows for the electronic transmission of UI information requests from UI agencies to employers and/or third party administrators (TPAs), as well as transmission of replies containing the requested information back to the UI agencies. SIDES provide two methods by which employers may receive and respond to information requests from states: SIDES Web-Services (for employers and TPAs with a large volume of



information requests), and the SIDES E-Response website (for employers with a limited number of UI claims throughout the year). The current implementation of SIDES allows for the exchange of separation and earnings verification information.

States that utilize the SIDES system have found that it reduces the length of time necessary for employers and their representatives to provide employment and separation information necessary for adjudication and it improves the quality of information received by providing a standardized fact-finding format for all types of claims. The ease of use also encourages employer participation and response and states may implement a single “sign on” to take employers directly to their employer portals.

In addition to SIDES Web Services and SIDES E-Response for exchanging separation information with employers and TPAs, there are several other SIDES data exchange formats currently available for states to use. These formats are Monetary and Potential Charges, Additional Fact Finding, Non-monetary Determinations and Appeals Decisions, Earnings Verification, and Billing and Charge Notices.

SIDES is currently operated and supported by NASWA. More information about SIDES is available at http://www.itsc.org/Pages/ui_SIDES_home.aspx/.

Interstate Connection Network

The Unemployment Insurance-Interstate Connection Network (UI-ICON) is a telecommunications network that allows states to exchange information. ICON is currently operated and supported by NASWA. More information about ICON is available at <https://www.naswa.org/services/icon>.

The information exchanged through ICON is needed to process Interstate Benefits, Combined Wage Claims, UCFE Wage Transfer//UCX Query Verification, and other UI-related information. Other UI-ICON applications supporting various non-UI activities include:

- *The Wage Record Interchange System (WRIS)*, which facilitates the interstate exchange of wage data between participating states for the purpose of assessing and reporting on state and local performance for programs authorized under the Workforce Investment Act of 1998 (WIA)—now revised by the WIOA, under other statutory provisions authorizing programs identified as One-Stop partners in the WIA, and for other purposes allowed under law.
- *The State Wage Interchange System (SWIS)*, which was developed based on the WRIS system to help states address WIOA requirements for reporting by all of the WIOA core programs.
- *The Health Care Tax Credit (HCTC)* system facilitates IRS access to lists of TAA and ATAA recipients who are eligible for the health coverage tax credit payments. The system



supports the exchange of information needed to provide a tax credit for the purchase of certain types of health insurance coverage for eligible individuals certified under the TAA program (those individuals receiving TRA or who would be eligible to receive TRA but for not having exhausted UI or receiving ATAA benefits, and certain individuals receiving benefits from the Pension Benefit Guaranty Corporation (PBGC)).

Staffing

Section 303(a)(1) and (2) of the Social Security Act requires that each state's method of administration (including a state merit system) will ensure full payment of UC when due, and mandates the payment of UC through public employment offices or through other approved agencies.

Administrative grants to states fund UI operations, including both personnel (staff costs) and non-personnel services (communications, facilities, computer services, travel, non-ADP office equipment, supplies, personnel service contracts, state indirect costs, and miscellaneous).

States are allocated base full-time equivalent (FTE) budget/positions to operate all facets of unemployment insurance based upon the state's workloads. In the event of unforeseen workload increases that require additional staffing, above-base funding may be made available to cover the increased staffing costs, as funds are available. Due to the fact that above-base funding is allocated under special grants, the reimbursement rate per FTE may be less than 100% of the base funding rate.

Merit Staffing

A longstanding tenet in the administration of public programs is that the quality of public service is maintained and improved by the development and maintenance of systems of personnel administration consistent with merit principles under 42 U.S.C. 4701 et seq.

(<https://www.govinfo.gov/content/pkg/USCODE-20177-title42/pdf/USCODE-20177-title42-chap62-sec4701.pdf>). A basic merit principle is that public employees covered by a merit system are able to administer the law in an unbiased, professional manner without undue outside influence. Because many decisions made by public employees affect the rights and property of individuals, these decisions must be made in a fair and unbiased manner that is consistent with the rule and intent of the law. As a result, Congress included a specific merit staffing requirement in Federal UC law.

Section 303(a)(1), SSA, contains the merit staffing requirement for the UC program. This section requires that state law include provision for:

Such methods of administration (including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary of Labor shall exercise no authority with respect to the selection, tenure of office,



and compensation of any individual employed in accordance with such methods) as are found by the Secretary of Labor to be reasonably calculated to insure full payment of unemployment compensation when due.

Enforcement authority for this merit system requirement rests with the U.S. Department of Labor, and this requirement is a condition for receipt of UC administrative grants.

The merit system standards include:

- The recruitment, selection, and advancement of employees on the basis of their relative ability, knowledge, and skills, including the open consideration of qualified applicants for initial appointment.
- Providing equitable and adequate compensation.
- Training employees, as needed, to assure high quality performance.
- Retaining employees on the basis of the adequacy of their performance.
- Assuring fair treatment of applicants and employees in all aspects of personnel administration without regard to political affiliation, race, color, national origin, sex, religious creed, age, or handicap and with proper regard for their privacy and constitutional rights as citizens.
- Assuring that employees are protected against coercion for partisan political purposes and are prohibited from using their official authority for the purpose of interfering with or affecting the result of an election or nomination for office.

Program Performance and Accountability

UI Performs Performance Management System

"UI Performs" is the unemployment insurance program's performance management system. The goal of UI Performs is cooperative management, planning, and oversight leading to increasingly effective, consistent, efficient service for workers and employers.

UI operations are comprised of benefit eligibility determinations, payments or denials, an appeals system, employer wage reporting and tax collection, and trust fund management. The UI Performs system of oversight includes two performance tracking categories. The first category is Core Measures, which encompasses oversight on key performance areas representative of the health of the entire unemployment insurance system. Core Measures monitor key activities which have uniform national Acceptable Levels of Performance (ALPs). In the second category, the Federal partner maintains state performance data, but unlike the Core Measures, no ALPs are



established. Instead, both state and federal partners use the data to assess program performance in a specific performance area and inform on technical assistance needs.

Performance deficiencies where states do not meet the established ALPs are addressed through the SQSP process. The SQSP serves as the performance document and the grant document through which states receive administrative funding.

State Workforce Agency performance reports can be viewed at <https://oui.doleta.gov/unemploy/performance1.asp>.

UI PERFORMS Core Measures	Acceptable Levels of Performance (ALP)
Benefits Measures	
First Payment Promptness: % of all 1st payments made within 14/21 days after the week ending date of the first compensable week in the benefit year (excludes Workshare, episodic claims such as DUA, and retroactive payments for a compensable waiting period).	≥87%
Non-monetary Determination Time Lapse: % of Non-monetary Determinations (Separations and Nonseparations) made within 21 days of the date of detection of any nonmonetary issue that had the potential to affect the claimant’s benefit rights.	≥80%
Non-monetary Determination Quality - Nonseparations: % of Nonseparation Determinations with quality scores equal to or greater than 95 points, based on the evaluation results of quarterly samples selected from the universe of nonseparation determinations.	≥75%
Non-monetary Determination Quality - Separations: % of Separation Determinations with quality scores equal to or greater than 95 points, based on the evaluation results of quarterly samples selected from the universe of separation determinations.	≥75%
Program Integrity Measures	
Overpayment Measure Detection of Overpayments: % of detectable, recoverable overpayments estimated by the Benefit Accuracy Measurement survey that were established for recovery.	≥50% and ≤95% of detectable/recoverable overpayments are established for recovery
Improper Payment Measure: Percentage of UI benefits overpaid, plus UI benefits underpaid minus overpayments recovered divided by the total amount of UI benefits paid.	< 10%



UI PERFORMS Core Measures	Acceptable Levels of Performance (ALP)
<p>UI Overpayment Recovery Measure: Percentage of amount of overpayments recovered, divided by the amount of overpayments established minus overpayments waived. The performance period is based on the IPIA year (example IPIA 2013 = July 1, 2012 – June 30, 2013).</p>	<p>IPIA 2019 68%</p>
Appeals Measures	
<p>Average Age of Pending Lower Authority Appeals: The sum of the ages, in days from filing, of all pending Lower Authority Appeals divided by the number of Lower Authority Appeals.</p>	<p>≤30 Days</p>
<p>Average Age of Pending Higher Authority Appeals: The sum of the ages, in days from filing, of all pending Higher Authority Appeals divided by the number of Higher Authority Appeals.</p>	<p>≤40 Days</p>
<p>Lower Authority Appeals Quality: % of Lower Authority Appeals with quality scores equal to or greater than 85% of potential points, based on the evaluation results of quarterly samples selected from the universe of lower authority benefit appeal hearings.</p>	<p>≥80%</p>
Tax Measures	
<p>New Employer Status Determinations Time Lapse: % of New Employer Status Determinations made within 90 days of the last day in the quarter in which the business became liable.</p>	<p>≥70%</p>
<p>Tax Quality: TPS assessment of the accuracy and completeness of the tax program determined by scoring, on a pass/fail basis, samples of the 13 tax functions.</p>	<p>No more than 3 tax functions failing TPS in any year No single tax function failing for 3 consecutive years</p>
<p>Effective Audit Measure: Evaluates whether a state’s employer audit program meets or exceeds minimum levels of achievement in the following four factors: Factor 1 - % of Contributory Employers Audited Annually; Factor 2 - % of Total Wages Changed from Audits; Factor 3 - % of Total Wages Audited; Factor 4 – Average Number of Misclassifications Detected per Audit, <u>and</u> meets or exceeds a minimum overall score of the four factors.</p>	<p>Factor 1: ≥ 1% Factor 2: ≥ 2% Factor 3: ≥ 1% Factor 4: ≥ 1%, and Sum of Four Factors: ≥ 7</p>
Secretary Standards in Regulation	Performance Criteria



UI PERFORMS Core Measures	Acceptable Levels of Performance (ALP)
First Payment Promptness: % of Intrastate UI 1 st Payments (full weeks only) made within 14/21 days after the week ending date of the first compensable week in the benefit year.	≥87%
First Payment Promptness: % of Intrastate UI 1 st Payments (full weeks only) made within 35 days after the week ending date of the first compensable week in the benefit year.	≥93%
First Payment Promptness: % of Interstate UI 1 st Payments (full weeks only) made within 14/21 days after the week ending date of the first compensable week in the benefit year.	≥70%
First Payment Promptness: % of Interstate UI 1 st Payments (full weeks only) made within 35 days after the week ending date of the first compensable week in the benefit year	≥78%
Lower Authority Appeals: % of Lower Authority Appeals decided within 30 days of filing.	≥60%
Lower Authority Appeals: % of Lower Authority Appeals decided within 45 days of filing.	≥80%

State Quality Service Plan

The SQSP is the state UI performance management and service plan. With a focus on continuous improvement, it is also the grant document through which states receive Federal UI administrative funding. General instructions for the SQSP are contained in ETA Handbook No. 336, *Unemployment Insurance State Quality Service Plan: Planning and Reporting Guidelines*, which is found at

https://wdr.doleta.gov/directives/attach/ETAHandbook/ET_Handbook_No.336_18th_Edition_Change_4_acc.pdf. The handbook is designed as a permanent instruction for the annual planning and budget process in each state, and provides states with planning guidelines and instructions for reporting UI financial and staff year information.

The SQSP is intended to be a dynamic document states use not only to ensure strong program performance, but also to guide key management decisions, such as where to focus resources. The SQSP focuses state efforts to ensure well-balanced performance across the range of UI activities. The SQSP also is designed to be flexible to accommodate, among other things, multi-year planning and significant changes in circumstances during the planning cycle. States can use this flexibility to incorporate the elements from the program strategic plans into the SQSP to address improper payments.



As part of UI Performs, the SQSP is the principal vehicle that the state UI programs use to plan, record, and manage improvement efforts as they strive for excellence in service. ETA has moved to a biennial SQSP cycle beginning with the FY 2015 SQSP. This biennial SQSP planning cycle provides a 24-month window for states to adequately plan and implement performance improvement efforts.

Benefits Timeliness and Quality

The Benefits Timeliness and Quality (BTQ) review serves to assess the overall quality of the non-monetary determination process using a set of prescribed evaluation criteria. Each sampled determination is measured against federally established minimum criteria, evaluating the quality elements of the determination. It also includes a data validation component to ensure that the state UI agency is reporting its non-monetary determination activities in accordance with UI reports instructions contained in ETA Handbook No. 401, *UI Reports*, located at https://wdr.doleta.gov/directives/attach/ETAH/ETHand401_5th.pdf, UIR Handbook.

Evaluation of non-monetary determinations is necessary to ensure that this component of the UI program is properly administered. Because the determination to pay or deny unemployment compensation is a critical UI program activity, management must be kept informed about how well this function is being performed. BTQ reviews determine whether a state UI agency's performance is meeting the standards which have been set by the Department.

A sampling of separation and non-separation, non-monetary determinations is reviewed each calendar quarter. Three reviews each year are conducted internally with the state's staff trained to conduct BTQ reviews. The fourth review is a cross-regional review where representatives of the Department and other states conduct a coordinated review of each state's case sampling.

In addition, there is a National BTQ Review (NBTQR). The NBTQR is held triennially and is jointly coordinated by Regional Offices (RO) and National Office (NO) BTQ coordinators. The review team for the NBTQR consists of at least one representative from each of the states administering the program and the BTQ coordinator from each ETA Regional Office and the BTQ coordinator from ETA's National Office. During the other two years of the triennial cycle, ETA provides state training and technical assistance.

ETA Handbook No. 301, *Benefits Timeliness and Quality Non-monetary Determinations Quality Reviews*, (http://wdr.doleta.gov/directives/attach/UIPL/UIPL_1-13_Att.pdf) provides guidance on the conduct of BTQ reviews, including information concerning sampling size, scoring cases, and reporting results.

UI Benefit Operational Functional Review—State Self-Assessment Tool

The State Self-Assessment Tool is designed to assist states in routinely assessing, monitoring, and improving their own UI benefits operations and performance. It also assists ETA in its oversight and monitoring of state UI benefits operations and in identifying areas where technical



assistance may be needed. The self-assessment tool contains a series of in-depth questions on key functional and program areas within UI benefits operations. Within each functional or program area, there are self-assessment questions that cover specific operational elements. ETA will issue guidance and provide information to state UI agencies on the timing for conducting the self-assessment reviews and for providing results of the reviews to ETA.

Tax Performance System

The TPS is intended to assist state administrators in improving their UI programs by providing objective information on the quality of existing revenue operations. TPS also serves to help the Department carry out its oversight, technical assistance, and policy development responsibilities. One staff year per state has been allocated in the grants to states to perform the TPS review. Guidance for conducting TPS reviews is provided in ETA Handbook No. 407 (https://oui.doleta.gov/dmstree/handbooks/407/hb_407_toc.htm).

The TPS program is a part of UI Performs the comprehensive performance system in which the states and the Federal government work together as partners to strengthen the UI system. One of the primary goals of the system is to achieve continuous improvement of overall performance quality.

TPS reviews cover status determination, cashiering, report delinquency, collections, field audit, and account maintenance tax functions. The dimensions of quality in UI tax operations are accuracy, timeliness, and (in some instances) completeness. Two methodologies are utilized:

- **Computed Measures**—which report the data about UI tax operations. These measures, based on reported aggregate information, are indicators of the timeliness and completeness with which UI tax transactions occur. States report a quarterly series of data elements, which the TPS data system uses to automatically calculate the computed measures. Data are provided to the TPS reviewers so that they may factor them as part of the assessment of each tax function.
- **Program Reviews**—which consist of systems reviews that examine tax systems for the existence of internal controls, and acceptance samples that examine small numbers of transactions to verify the effectiveness of the internal controls in producing accurate output. If more extensive review is deemed necessary, a second small sample may be used as well as large, representative samples ("expanded samples") to determine a specific error rate.

Regional Office staff support the TPS reviewer in assessing the quality and performance of state tax operations. The Regional Office works with the TPS reviewer during all phases of the review process to answer questions and offer technical assistance.

During ongoing TPS reviews, Regional Office staff perform the following tasks:



- Request TPS review work plans and monitor, as appropriate, conformity with the work plans to ensure the conduct of a TPS review.
- Review any requests for waivers in conducting all or part of any TPS review, and forward to the National Office for consideration.
- Review any requests for modifying or adjusting established timeframes for TPS sampling, and forward to the National Office for consideration.
- Ensure proper use of “Not Applicable” responses and “Other” responses (compensating controls).
- Ensure timely entry of TPS review data into the SUN system.
- Ensure timely and appropriate completion of TPS annual reports.

Regional Office staff is responsible for conducting an in-person Federal team review at least once every four years in each state to ensure the state TPS program is being conducted properly.

Lower Authority Appeals Quality Reviews

The Department of Labor has responsibility for the oversight of the quality of state UC appellate processes. Section 303(a)(1), SSA, requires states to have “such methods of administration . . . as are found by the Secretary of Labor to be reasonably calculated to ensure full payment of unemployment compensation when due.” Section 303(a)(3), SSA, conditions this certification on state law providing “an opportunity for a fair hearing, before an impartial tribunal, for all persons whose claims for UC have been denied.”

The need to conduct quality hearings while also disposing of them in a timely manner is reflected in the measures established to evaluate states’ appeals performance. Examining state performance using the three measures below, when considered together, provides a good overview of a state’s lower authority appeals performance:

- **Time Lapse**—a measure of how old cases are when decided.
- **Case Aging**—a measure of how old the cases are that have not been decided.
- **Lower authority appeals quality**—a measure of whether a “fair hearing” was provided.

The state conducts a review of a sampling of lower authority appeal cases each calendar quarter. The sampling size is either 20 or 40 per quarter and is determined by annual workload in the prior calendar year. States with an annual workload of 40,000 or more decisions are required to sample and review at least 40 randomly selected cases each calendar quarter. States with an annual workload of less than 40,000 decisions are required to sample and review 20 randomly selected cases each calendar quarter.



Federal staff also conduct a peer review known as the National Appeals Review (NAR), which is held triennially. All reviews are jointly coordinated by the appeals coordinators from ETA's National and Regional Offices. The review team for the NAR consists of at least one representative from each of the state agencies administering the appeals program and the appeals coordinator from each ETA Regional Office and the National Office. During the other two years of the triennial cycle, the National and Regional Offices coordinate to provide states with appeals-related training and other technical assistance.

Overpayment Detection Core Measure Report

The three-year Overpayment Detection Report (https://oui.doleta.gov/unemploy/3yr_overpay.asp) is used to measure state performance for the UI Performs Core Measure. The report covers the three-year Benefit Payment Control period (12 quarters) ending with the selected quarter-ending date. BAM data cover the three-year period ending six months prior to the selected quarter-ending date. The report is updated each quarter, and data is based on data extracted from the UI database and is available from 1997 to the most current quarter-ending date.

Unemployment Insurance Recovery Core Measure

The UI recovery rate is the ratio of the amount of improper overpayments recovered to the amount of improper overpayments established. The measure includes data for a single year; however, results are presented on a quarterly basis. The measure is computed using data provided on the ETA Overpayment Detection and Recovery reports (ETA 227 and ETA 227 Emergency Unemployment Compensation).

$$\text{Recovery Rate} = \frac{\text{Amount of UI Overpayments Recovered}}{\text{Amt. of (UI Overpayments Established - Waived)}} \times 100$$

State results are found at the following link:

https://oui.doleta.gov/unemploy/overpay_recovery.asp

Program Reporting & Data

Financial Reporting

All grants activities for all ETA programs are reported via the ETA-9130 report. All quarterly reports are filed online and must be submitted no later than 45 calendar days after the end of each specified reporting period. A report must be submitted for each subaccount listed in the award document. All financial data must be reported cumulatively from grant inception, through the end of each reporting period. Expenditure data is required to be reported on an accrual basis.



The reporting quarter end dates are: March 31, June 30, September 30, and December 31.

The reporting due dates are: May 15, August 14, November 14, and February 14.

ETA grants require adherence to regulations in *29 CFR Part 97* for governmental grants, which establish administrative requirements, including financial management standards and close-out standards.

Close-out is a process by which USDOL determines that all financial requirements and applicable administrative actions have been completed by the recipient. The close-out process includes expired or terminated contracts and grants. Within 90 days after the expiration/termination of the contract/grant, all financial, performance, and other required documents must be received.

Additional References

- Federal Financial Management and Reporting Definitions – TEGL No. 28-10 (<https://wdr.doleta.gov/directives/attach/TEGL/TEGL28-10ACC.pdf>)
- Quarterly USDOL Employment and Training Financial Report Instructions – TEGL No. 13-12 (http://wdr.doleta.gov/directives/attach/TEGL/TEGL_13_12_Acc.pdf)

Federal ETA Performance Reports

UI program performance data are available at <https://oui.doleta.gov/unemploy/performance1.asp>. The following list denotes the various reports that state UI agencies are required to submit to ETA.

Report	Frequency	Content
191	Quarterly	Statement of Expenditures and Financial Adjustments for Federal Funds for Unemployment Compensation for Federal Employees and Ex-Servicemembers
203	Monthly	Characteristics of the Insured Unemployed
204	Annual	Experience Rating Report
205	Annual	Preliminary Estimates of Average Employer Contribution Rates
207	Quarterly	Non-Monetary Determination Activities
218	Quarterly	Benefits Rights - Monetary Determinations; Potential Durations
227	Quarterly	Overpayment Detection & Recovery Activities
538	Weekly	Advance Weekly Initial and Continued Claims Report
539	Weekly	Weekly Claims and Extended Benefits Trigger Data
581	Quarterly	Contribution Operations
586	Quarterly	Interstate Arrangement for Combining Employment and Wages
902	Monthly	Disaster Unemployment Assistance Activities
2112	Monthly	UI Financial Transaction Summary



Report	Frequency	Content
5130	Monthly	Benefits Appeals Report - # appeals by program, by type, by appellant
5159	Monthly	Claims & Payment Activity - Initial, Weekly, # Weeks Paid, First Payments, Final Payments
5159W	Monthly	Claims & Payment Activity - Workshare; Initial, Weekly
8401	Monthly	Monthly Analysis of Benefit Payment Account
8403	Monthly	Summary of Financial Transactions - Title IX Funds
8405	Monthly	Monthly Analysis of Clearing Account
8412	Monthly	Income-Expense Analysis of UC Fund Benefit Payment Account
8414	Monthly	Income-Expense Analysis UC Fund Clearing Account
9016	Quarterly	Alien Claims Activity Report
9048	Quarterly	Worker Profiling and Reemployment Services Activity
9049	Quarterly	Worker Profiling and Reemployment Services Outcomes
9050	Monthly	Time Lapse of All First Payments, except Workshare
9050P	Monthly	Time Lapse of All Partial First Payments
9050W	Monthly	Time Lapse of All Workshare First Payments
9051	Monthly	Time Lapse Counts for All Continued Weeks Compensated
9051P	Monthly	Time Lapse Counts for All Partial Continued Weeks Compensated
9051W	Monthly	Time Lapse Counts for All Workshare Continued Weeks Compensated
9052	Monthly	Non-monetary Determination Time Lapse - Detection Date to Determination Date
9053	Monthly	Non-monetary Determination Time Lapse - Week Ending Date to Detection Date
9054L	Monthly	Lower Authority Appeals Time Lapse
9054H	Monthly	Higher Authority Appeals Time Lapse
9128	Quarterly	UI RESEA Workloads Report
9129	Quarterly	UI RESEA Outcomes Report
9178	Quarterly	UI Supplemental Budget Request Activities

UI Program Integrity

Everyone Owns Integrity

UI integrity is a top priority for the USDOL and state agencies that administer the UI programs. Through UIPL No. 19-11 (<http://wdr.doleta.gov/directives/attach/UIPL/UIPL19-11ACC.pdf>) the Department issued a call to action to all states to implement strategies to reduce improper UI payments. The Department has undertaken a number of measures to ensure that states have the necessary information to identify program areas with unacceptable improper payment rates and



identify remedial actions that have an immediate impact to bring the improper payment rate down.

The level of improper payments has created a critical situation that demands focused attention by the Department and by states; in particular, those states with chronic integrity issues and high improper UI benefit payments. If the UI system as a whole fails to reduce the UI improper payment rate below 10 percent, the Department will be required to consider additional actions to bring the program into compliance, as required under Appendix C to OMB Circular A-123, *Requirements for Payment Integrity Improvement*, which includes the following:

For agencies that are not compliant for four or more consecutive fiscal years for the same program or activity, within 30 days of the determination of non-compliance, the agency will submit to Congress a report detailing the activities taken to complete the requirements for one, two, three, four, etc. years of non-compliance, as well as descriptions of any new corrective actions.

In Fiscal Year 2019, the Department issued a new call to action for all states to work to reduce improper payments through letters from the Deputy Secretary to the governor of each state. The Department is also providing targeted technical assistance to states with high improper payment rates that also significantly affect the national UI improper payment rate. ETA continues to aggressively work with states to implement a dynamic Integrity Strategic Plan that includes strategies and actions to address the leading root causes of UI improper payments and fraud. The plan is continuously updated and evolves as new corrective actions and strategies are identified to address these root causes.

Internal Security

Preventing and detecting internal fraud and abuse should be a top priority for UI program administrators. States are responsible for creating policies, procedures, and internal controls that effectively protect the integrity and security of UI program staff, program operations and systems, UI funds, UI data, and other state assets. The purpose of state Internal Security (IS) programs is to ensure that all appropriate internal controls and processes are in place, and are adequate to ensure program integrity and security and minimize program vulnerabilities and faulty procedures. State IS staff must continuously review adequacy of internal controls and make recommendations to executive management for the implementation of internal controls where none exists, the strengthening of controls where weaknesses are detected, and ensuring appropriate separation of staff duties are enforced. Additional information regarding Internal Security can be found in UIPL No. 14-17 at the following link:

https://wdr.doleta.gov/directives/attach/UIPL/UIPL_14-17_Acc.pdf.



Federal Improper Payment Laws

- Improper Payments Information Act (IPIA) of 2002
(<http://www.gpo.gov/fdsys/pkg/PLAW-107publ300/pdf/PLAW-107publ300.pdf>)
- Improper Payments Elimination and Recovery Act (IPERA) of 2010
(<http://www.gpo.gov/fdsys/pkg/BILLS-111s1508enr/pdf/BILLS-111s1508enr.pdf>)
- Improper Payments Elimination and Recovery Improvement Act (IPERIA) of 2012
(<http://www.ssa.gov/improperpayments/documents/IPERIA--PLAW-112publ248.pdf>)

The IPIA of 2002 and subsequent amendments in the IPERA of 2010 require SWA to examine the risk of erroneous payments in all programs and activities they administer. An improper payment is defined as any payment that was made to an ineligible recipient, duplicate payments, and payments that are for the incorrect amount—both overpayments and underpayments, including inappropriate denials of payment. IPERA codifies the requirement for valid statistical estimates of improper payments such as those generated by BAM and compels actions to reduce improper payments. The U.S. Department of Labor requires SWAs to review their BAM improper payment data and report their planned activities to prevent, detect, reduce, and recover improper payments in an UI Integrity Action Plan. Instructions for completing an UI Integrity Action Plan are outlined in Chapter I, Section VIII of the ETA Handbook No. 336 (https://wdr.doleta.gov/directives/attach/ETAHandbook/ETHand336_18th_Ch3.pdf?DOCN=2831).

The IPERIA of 2012 requires agencies to include all identified improper payments in the reported estimate, regardless of whether the improper payment in question has been or is being recovered.

Benefits Accuracy Measurement

The BAM is a quality control statistical survey used by Federal and State Workforce Agency staff to identify errors and their causes, and in correcting and tracking solutions to these problems. It is also used to estimate Federal and state UI improper payment rates. The study sample comes from a random sampling of weekly UI benefit paid and denied claims. BAM staff investigates the samples to determine whether the claimant was accurately paid or properly denied eligibility.

The major objectives of the BAM program are to:

- Assess the accuracy of UI payments and denials of benefits.
- Assess improvements in program accuracy and integrity.
- Encourage more efficient administration of the UI program.



The BAM system is designed to be comprehensive by including all areas of the claims process where errors could occur.

Intensive investigations are conducted on the sampled cases to determine whether payments were made to eligible claimants, and in the proper amount. The benefit entitlement (weekly and total benefit amounts), work registration, work search, and claimant eligibility are all examined for the “key week” under review. As a statistical survey, the BAM program uses standard questionnaires. A BAM claimant questionnaire is used as a data collection tool and must be completed by each UI claimant whose claim is investigated by BAM staff; in addition, the program uses standard employer questionnaires. During the review process, these questionnaires become a focal point of the investigation and information is compared against benefit system information. This provides information relative to the propriety of the payment as well as identifying other eligibility issues. Issues that are identified in the review are adjudicated. Improper payment findings by BAM are the primary factor in determining the state’s overpayment rate and are the basis for the national rate.

Use of BAM Data for Program Improvement

BAM data has identified the top four types of overpayments that result in the highest dollar amounts and lend themselves to targeted prevention efforts. Monitoring BAM data and focusing on these areas to identify system and process improvements can dramatically improve improper payment activity.

Work Search Errors: The primary cause of these overpayments is due to the failure of claimants to comply with the state’s work search requirements. It has become increasingly difficult for agencies to verify claimant work search contacts with potential employers given the more pervasive role of tools such as employment search engines, large employment application databases, and online social networks in the modern job search process. Conducting random audits of claimants’ work search activities, providing an electronic log for claimants to record their work search activities as part of their weekly certification and messaging to claimants regarding the work search requirements are considered to be strategies for addressing this root cause.

Benefit Year Earnings: The second leading cause of overpayments is due to unreported or underreported earnings by claimants while they claim benefits. Cross-matching with State Directory of New Hires (SDNH) and National Directory of New Hires (NDNH), followed by immediate contact with the claimant when there is a match to let the claimant know there is a potential overpayment, is considered to be one of the most effective strategies for addressing this root cause. Additionally, cross-matching against state wage records remains an effective tool.

Separation Issues: Overpayments attributable to separation issues are another leading cause of overpayments. To address this issue, the SIDES was developed, which enables more rapid and accurate communications between state agencies and employers or employers’ third party



administrators. The timely exchange of accurate claimant separation information results in better determinations and reduces the number of improper payments to claimants who are ultimately determined to be ineligible for UI due to disqualifying job separations such as quitting a job without good cause or being discharged for misconduct under the state UI law.

Employment Service Registration: Improper payment errors due to a claimant's failure to meet Employment Service registration requirements are a significant root cause of improper payments in some states. Good communication between UI and American Job Center staff is needed to ensure the integrity and effectiveness of the programs, including WPRS and RESEA. States that have automated their work registration process as part of the UC claims filing generally experience shorter payment durations and eliminate this potential source of improper payments.

BAM Review

The Department of Labor is responsible for reviewing each state BAM unit's organization, authority, and operational procedures as a mechanism for ensuring program integrity. Regional Office staff conduct a Methods and Procedures (M&P) Review that is held triennially with federal staff conducting these reviews for one third of the states in their Region each year.

The BAM Peer Review process is designed to evaluate state BAM programs and is also held triennially. The goal of the BAM Peer Review process is to create more uniformity in state level BAM investigations and ensure that all states are trained in a similar manner on BAM procedures for coding and reporting. States are required to participate in these reviews where BAM staff cross-review samples of BAM investigations.

Benefit Payment Control

Benefit Payment Control (BPC) is the part of UI program operations responsible for the establishment and collection of benefit overpayments. Staff conducts quarterly cross-matches between wages reported by employers and weeks of unemployment compensation claimed, to detect unreported employment, earnings, and separations that have the potential of affecting the claimant's eligibility for benefits. Unreported earnings are investigated and adjudicated, with authority to impose more stringent penalties for fraud, when warranted. A similar cross-match is conducted with the state and national directories of new hires to identify claimants that returned to work but continued claiming unemployment compensation. These cross-matches are critical to reducing BYE improper payments. BPC staff use other cross-matches and methods as well to establish overpayments.

BPC has collection authority to initiate legal proceedings to recover improperly paid benefits. This authority varies by state. Overpayment collection includes withholding future benefit payments and the intercept of state and Federal income tax refunds. States also participate in the Treasury Offset Program (TOP) for recovery of UC debts by intercepting Federal income tax refund monies.



Treasury Offset Program

Section 303(m) of the Social Security Act requires states, as a condition for receipt of grants to administer their UC programs, to use the TOP to recover covered UC debt that remains uncollected as of the date that is one year after the debt was finally determined to be due and collected.

Covered unemployment compensation debt means: (1) a past-due debt for erroneous payment of UC due to fraud or the person's failure to report earnings, which has become final under the law of the state and which remains uncollected; (2) employer contributions due to the unemployment fund of a state for which the state has determined the person to be liable and which remain uncollected; and (3) any penalties and interest assessed on such debt.

To participate in TOP, a state must complete and submit to the Internal Revenue Service a Debt Certification Agreement; an Agency Profile form, and a Safeguard Security Report prior to implementation.

Additional References

- Recovery of Certain Unemployment Compensation Debts under the Treasury Offset Program – UIPL No. 2-19 (https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8457)
- Required Use of Treasury Offset Program to Collect Covered Unemployment Compensation Debt – UIPL No. 12-14 (https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9344)
- Recovery of UC Debts Due to Fraud from Federal Income Tax Refunds – UIPL No. 02-09, and its three changes (https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2687)
- The Claims Resolution Act of 2010 (P.L.111-291) and the Tax Relief Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312), Provisions Affecting the Federal-State Unemployment Compensation Program – UIPL No. 11-11 (https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2996)

Penalty and Interest Funds

States are authorized to assess interest and penalty fees on employers that fail to submit their unemployment insurance tax reports and payments in a timely manner, and on claimants that fail to repay unemployment insurance benefit overpayments as scheduled. The use of penalty and interest can be used to repay Title XII advances per UIPL No. 29-11 (https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3079).

States must impose a monetary penalty (an amount not less than 15 percent of the erroneous payment) on claimants whose fraudulent acts resulted in overpayments. This penalty, mandated under the Trade Adjustment Assistance Extension Act (TAAEA) of 2011, must be deposited into



the state's account in the UTF and used for the payment of UC. Section 303(a)(11) of SSA has no provision allowing for a waiver of this penalty; however, if the state has a fraud penalty in its statute greater than the 15 percent Federally-mandated penalty, any amount above the 15 percent may be waived in accordance with the state UC law. A state's failure to implement this penalty would be grounds for initiating conformity proceedings to deny certifying the state for grants for the administration of the state UC law until such time as the law conformed to the requirements of Section 303(a)(11), SSA.

Confidentiality

The Department of Labor interprets Section 303(a)(1), SSA, to mean that “methods of administration” that are reasonably calculated to insure the full payment of UC when due must include provisions for maintaining the confidentiality of any UC information which reveals the name or any identifying information about any individual or any past or present employer or employing unit, or which could foreseeably be combined with other publicly available information to reveal any such particulars, and must include provision for barring the disclosure of any such information. Federal regulations at 20 CFR Part 603 set out requirements concerning the confidentiality and disclosure of UC information (<https://www.ecfr.gov/cgi-bin/text-idx?SID=5f8d7c1e74e8b9cd980fc2c184994abb&mc=true&node=pt20.3.603&rgn=div5>).

Federal law requires certain disclosures of confidential UC information. See 20 CFR 603.6.

- The Department has interpreted Section 303(a) (1), SSA, as requiring disclosure of all information necessary for the proper administration of the UC program. This includes disclosures to claimants, employers, the Internal Revenue Service (for purposes of UC tax administration), and the U.S. Citizenship and Immigration Services (for purposes of verifying a claimant's immigration status).
- Federal UC law also specifically requires disclosure of state UC information to any agency of the United States charged with the administration of public works or assistance through public employment.
- States must make available to the Railroad Retirement Board such copies of UC records as the Board deems necessary for its purposes.
- Section 303(d)(1), SSA, requires states to disclose UC information upon request to officers and employees of the Department of Agriculture, and to officers or employees of any state food stamp agency for the purpose of determining eligibility under a food stamp program established under the Food Stamp Act of 1977.



Disclosure of confidential UC information is permissible under certain exceptions, if authorized by state law and if such disclosure does not interfere with the efficient administration of the state UC law. See 20 CFR 603.5.

- Disclosure of appeals records and decisions, and precedential determinations on coverage of employers, employment, and wages, is permissible provided all social security numbers have been removed and such disclosure is otherwise consistent with Federal and state law.
- Disclosure of confidential UC information on the basis of informed consent is permissible to an agent of the individual or employer by the authority of that individual or employer if: (A) the agent presents a written release (which may include an electronically submitted release that the state determines is authentic) from the individual or employer being represented, or (B) when a written release is impossible or impracticable to obtain, the agent presents such other form of consent as is permitted by the state UC agency in accordance with state law. Disclosures to a third party that is not acting as an agent are also permissible, provided the third party obtains a written release meeting the requirements of 20 CFR 603.5(d)(2) from the individual or employer whose information is being sought.
- Disclosure to a public official for use in the performance of his or her official duties is permissible. “Performance of official duties” means administration or enforcement of law or the execution of the official responsibilities of a Federal, state, or local elected official. Disclosure to an agent or contractor of a public official is also permissible.
- The confidentiality requirement does not apply to information collected exclusively for statistical purposes under a cooperative agreement with the Bureau of Labor Statistics (BLS). Further, this part does not restrict or impose any condition on the transfer of any other information to the BLS under an agreement, or the BLS's disclosure or use of such information.
- Disclosure of confidential UC information in response to a court order or to an official with subpoena authority is permissible as specified in 20 CFR §603.7(b).

Most disclosures of confidential UC information require the state UC agency to enter into a written, enforceable agreement with any agency or entity requesting disclosure of such information. The agreement must be terminable if the state UC agency determines that compliance with the provisions of the agreement are not being maintained. See 20 CFR 603.10.

- In the case of disclosures to an agent or contractor of a public official, the state UC agency must enter into an agreement with the public official on whose behalf the agent or contractor will obtain information. The agreement must hold the public official responsible for ensuring that the agent or contractor complies with the agreement.



- The agreement must contain provisions for paying or reimbursing the state UC agency for the costs of disclosure as required by 20 CFR 603.8, provisions for safeguarding the information as required by 20 CFR 603.9, and provisions for on-site inspections of the recipient of the information to ensure that the requirements of the agreement are being met.
- The state UC agency must require recipients of confidential UC information to instruct all personnel having access to the disclosed information about confidentiality requirements, safeguards, and the sanctions specified in state law for unauthorized disclosure or misuse of the information.
- In the event of a breach of the agreement, the state UC agency must undertake any action under the agreement, or under any state or Federal law, to enforce the agreement and secure satisfactory corrective action. This includes seeking damages, penalties, and restitution as permitted under state or Federal law.

States may not permit entities requesting confidential UC information to have direct access to the state UI database or a subset of the data contained in, or originating from, a state's database, regardless of format (e.g., by creating mirror databases). Allowing unfettered access to confidential UC information is contrary to the requirements of 20 CFR Part 603. In addition, such broad access makes it difficult, if not impossible, for the state UC agency to maintain control of the information and perform necessary audits.

Claimants and employers must be notified that wage information and other confidential UC information may be requested and utilized for other governmental purposes, including, but not limited to verification of eligibility under other government programs.

Additional Confidentiality-Related References

- Disclosure of Confidential Unemployment Compensation Information to Private Entities Under 20 CFR 603.5(d)(2) – UIPL No. 19-12
(<https://wdr.doleta.gov/directives/attach/UIPL/UIPL19-12acc.pdf>)
- Mandatory Disclosure of Unemployment Compensation Information for Department of Labor Evaluations of Unemployment Compensation Programs – UIPL No. 23-12
(https://wdr.doleta.gov/directives/attach/UIPL/UIPL_23-12-ACC.pdf)
- Confidentiality of Unemployment Compensation Appeals Information – UIPL No. 03-15
(https://wdr.doleta.gov/directives/attach/UIPL/UIPL_03-15_Acc.pdf)
- Disclosure of Confidential Unemployment Compensation Information to State Health Insurance Exchanges – UIPL No. 04-15
(https://wdr.doleta.gov/directives/attach/UIPL/UIPL-4-15_Acc.pdf)



- Disclosure of Confidential Unemployment Compensation Information to the Department of Labor's Office of Inspector General – UIPL No. 04-17 (https://wdr.doleta.gov/directives/attach/UIPL/UIPL_04-17_Acc.pdf)

The U.S. Department of Labor

The U.S. Department of Labor oversees a wide variety of workforce and labor related programs, including:

- Bureau of Labor Statistics (BLS) (<http://www.bls.gov/home.htm>)

Helpful suggestion: When your agency receives a request from another entity or person seeking access to UC information, check with your agency's legal counsel on how to properly respond to the request.

- Employment and Training Administration (ETA) (<http://www.doleta.gov/>)
- Occupational Safety & Health Administration (OSHA) (<https://www.osha.gov/>)
- Mine Safety & Health Administration (MSHA) (<http://www.msha.gov/>)
- Office of Disability Employment Policy (ODEP) (<http://www.dol.gov/odep/>)
- Office of Inspector General (OIG) (<http://www.oig.dol.gov/>)
- Office of Labor-Management Standards (OLMS) (<http://www.dol.gov/olms/>)
- Office of Workers' Compensation Programs (OWCP) (<http://www.dol.gov/owcp/>)
- Veterans' Employment & Training Service (VETS) (<http://www.dol.gov/vets/>)
- Wage and Hour Division (WHD) (<http://www.dol.gov/whd/>)

Department of Labor Unemployment Insurance Structure

The Employment and Training Administration (ETA) is an agency within the Department of Labor that oversees UI. The following are major organizational divisions within ETA of interest to state UI agencies:

Office of Unemployment Insurance

The Office of Unemployment Insurance (OUI) (<http://oui.doleta.gov/unemploy/index.asp>) is responsible for the following tasks:



- Providing leadership, direction, and assistance to State Workforce Agencies in the implementation and administration of state unemployment insurance (UI) programs, Federal unemployment compensation programs, and other wage-loss, worker dislocation, and adjustment assistance compensation programs.
- Strategic management to ensure high performance, greater public accountability, service quality, and customer satisfaction.
- Working collaboratively with partners and stakeholders in business, labor, and state governments by providing oversight, guidance, and technical assistance for the federal-state unemployment compensation system and providing budget and legislative support to State Workforce Agencies to administer their UI programs and assist individuals to return quickly to suitable work.

OUI is responsible for Federal oversight of state unemployment insurance (UI) and related wage loss programs. OUI is responsible for:

- Providing state unemployment insurance programs with administrative funding.
- Ensuring that state UI laws and practices meet Federal requirements.
- Issuing instructions for operation of Federal UI programs.
- Establishing state UI performance measures and targets.
- Monitoring state performance and requiring corrective action, when necessary.
- Providing states with policy guidance and technical assistance related to state UI operations, reemployment services for UI claimants, performance, trust fund solvency, and legislation.
- Collecting, reporting, and publishing UI-related data.
- Facilitating Federal loans to states with insolvent trust funds.

Helpful suggestion: The OUI Web site is a resource of information about the Federal-State UI program. It is found at <https://oui.doleta.gov/unemploy/>.

OUI has four divisions: The Division of UI Operations, the Division of Performance Management, the Division of Legislation, and the Division of Fiscal and Actuarial Services.

Division of Unemployment Insurance Operations

The Division of Unemployment Insurance Operations (DUIO) (<http://oui.doleta.gov/unemploy/aboutui.asp>) provides leadership and guidance on state UC



programs including regular state UI, combined wage claims (for individuals who worked in more than one state), the interstate benefit system (for individuals who worked in a different state than the one in which they live), UI tax administration, and Federal UC programs (including Unemployment Compensation for Ex-Servicemembers, Unemployment Compensation for Federal Employees, Disaster Unemployment Assistance, and Trade Readjustment Allowances).

DUIO formulates policy, interprets laws, promulgates program requirements, develops implementation strategies for UI programs and services, provides technical assistance for program implementation and program improvement, develops Handbooks and Technical Assistance Guides, and develops advisories to State Workforce Agencies regarding UI program operations.

Division of Performance Management

The Division of Performance Management (DPM) (<http://oui.doleta.gov/unemploy/performance.asp>) develops, monitors, analyzes, validates, and reports performance measures under the Government Performance and Results Act and UI Performs (the performance management system for the UI program). The goal of UI Performs is cooperative management, planning, and oversight leading to increasingly effective, consistent, efficient service to workers and employers.

DPM also develops standard methods for validating reported data by states, determines the methodology for improper payment rate measurement, reports on the accuracy of benefits paid at the national and state levels, and delivers training to states on these methods.

Other endeavors include performance and improper payment initiatives, state UI information technology security and audits, and facilitating the development of tools for program improvement. DPM's work supports such activities and initiatives as the reporting required under the Executive Order 13520; Improper Payments Information Act, Improper Payments Elimination and Recovery Act, and Improper Payments Elimination and Recovery Improvement Act; the Department's Annual Financial Report; and the annual budget formulation.

Division of Legislation

The Division of Legislation (DL) (<https://oui.doleta.gov/unemploy/laws.asp>) is divided into a State Conformity and Compliance Team and a Federal Legislation Team.

The State Conformity and Compliance Team is responsible for assuring that state laws conform to the requirements of Federal unemployment compensation law, which is necessary for the states to receive grants to administer their UI programs and for employers in the state to receive Federal Unemployment Tax Act credits. This team is also responsible for developing guidance that interprets Federal UI law about Federal conformity requirements.



The Federal Legislation Team is responsible for developing UI legislative initiatives for the Department of Labor; monitoring and commenting on other Federal UI legislation; and issuing the *Comparison of State Unemployment Insurance Laws*, *Significant Provisions of State UI Laws*, *Reports on State Legislation*, and other publications. See <https://oui.doleta.gov/unemploy/statelaws.asp>.

Division of Fiscal and Actuarial Services

The Division of Fiscal and Actuarial Services (DFAS) (<http://oui.doleta.gov/unemploy/budget.asp>) is responsible for actuarial projections, state UI program budgeting, and reporting. DFAS assists states in the establishment and maintenance of actuarially-sound benefit financing systems by providing consulting and support services in the field of actuarial analyses and special studies. It provides technical assistance to states in the development and maintenance of a simulation model that allows state analysts the ability to assess the impact on state UI accounts of changes to a state's UI system—for example, increasing the taxable wage base, changing tax rates, or increasing the maximum benefit amount.

In addition, DFAS assists states with updating profiling models, and plays a critical role in developing budget projections and estimates of the financial impact of proposed legislation. DFAS is charged with budget formulation, allocation, and execution for state UI programs. It is responsible for the Resource Justification Model (RJM), the data collection instrument that provides the information used in the allocation of administrative funding to states.

DFAS also collects, analyzes, and disseminates UI program data reported by states to the Department, including the weekly release of initial claims, a leading economic indicator. Publications include the quarterly UI Data Summary, the bi-annual UI Outlook, the annual State Unemployment Insurance Solvency Report, and the annual Significant Measures of State UI Tax Systems (<http://www.oui.doleta.gov/unemploy/statelaws.asp#reports>).

ETA's Regional Offices

There are six regional offices located in Boston, Philadelphia, Atlanta, Dallas, Chicago, and San Francisco, each with oversight responsibilities for their assigned states. The regional offices are charged with grant oversight of ETA-administered programs, including UI. They routinely monitor state performance through desk audits, hosting UI reviews of program performance (discussed later), and performing on-site reviews. They also serve as a resource for states by providing by providing technical assistance regarding program implementations, answering performance questions and issues, and performing regular program audits to ensure compliance with Federal and state law and regulations. A directory of the regional offices is included at the end of this document. In the context of the UI program, ETA's Regional Offices include a Regional Administrator, a lead for State Programs, a UI Director, and additional UI staff that support UI monitoring and oversight functions. Additional information on ETA's Regional



Offices may be found at <https://www.doleta.gov/regions/>. Also, contact information for each Regional Office is provided at the end of this document.

Helpful suggestion: The state agency should keep its Regional Office informed of the current leadership for the state UI program. Important information is often shared by the Regional Office with state program leaders, so make sure they have contact information for your state's UI program leadership.

Office of Inspector General

The Office of Inspector General (OIG) at the U.S. Department of Labor conducts audits to review the effectiveness, efficiency, economy, and integrity of all of the Department's programs and operations, including those performed by its contractors and grantees (such as individual state UI agencies).

This work is conducted in order to assess three criteria:

- Whether programs and operations are in compliance with the applicable laws and regulations.
- Whether resources are efficiently and economically being utilized.
- Whether programs achieve their intended results.

The OIG also conducts criminal, civil, and administrative investigations related to violations of Federal laws, rules, or regulations, including those performed by the Department's contractors and grantees; as well as investigations of allegations of misconduct on the part of Department employees. The OIG reports problems and corrective actions taken with respect to the administration of Department operations and programs to the U.S. Secretary of Labor and Congress.

In addition, the OIG investigates schemes in which stolen identities are used to file for and obtain unauthorized UI benefits, bribes or illegal payments are made to UI employees to influence their decisions regarding claims, or fictitious employers are created through which unauthorized UI benefits are filed for and received. OIG investigations have discovered abuse of the UI program by non-traditional organized crime groups. Several states have formed close working relationships with the OIG to combat UI fraud.



Key State Agency Personnel with Whom You Will Interact Regularly

A state's UI Director will need to interact with many other leaders in the state agency, including the following:

Fiscal Director

This individual is responsible for managing the state's administrative grant and for tracking expenditures by program and may assist with preparation of supplemental grant requests and daily draw-down of trust fund monies for benefit payments.

Information Technology (IT) Director

This individual is responsible for the development and maintenance of all IT systems, including mainframe legacy system; telephony systems, including IVR; Internet claims systems; SUN system; UI-ICON system; interfaces with state and Federal agencies for wage and separation information and identity verification; all fiscal systems for tracking unemployment taxes collected, unemployment compensation paid, and overpayment tracking and collection activities; and reporting systems for all performance and activity reports.

Procurement Director

This individual is responsible for procurement and maintenance of physical facilities, purchase of computer and telephony hardware and software, and purchase of printed materials for all programs.

Personnel Director

This individual is responsible for assisting with recruitment and staffing needs; and enforcement of state and agency personnel policies.

General Counsel's Office

This office is responsible for providing legal guidance to the agency and handling Freedom of Information Act requests and EEO and civil rights issues and may also represent the agency in legislative hearings.

Workforce Centers

State Workforce Centers, also known as American Job Center, are responsible for providing services to job seekers and employers. Some of the services available consist of programs for training, apprenticeship, Workforce Innovation and Opportunity Act of 2014 (WIOA), and Trade Adjustment Assistance (TAA).



Unemployment Insurance Advisory Councils

Many states have advisory councils that provide advice to the state agency regarding state UC laws and regulations and UI Trust Fund solvency matters. The members of the council are usually members of the public and employer and worker advocates. Advisory councils provide the opportunity to work through policy issues and set the stage for successful state UC legislative proposals.

USDOL Advisories and Guidance

- **Unemployment Insurance Program Letters (UIPLs):** UIPLs transmit policy and guidance specific to the UI program. Issued by Fiscal Year (October 1-September 30).
- **Training and Employment Guidance Letters (TEGLs):** TEGLs transmit policy and operational guidance about the /Workforce Innovation and Opportunity Act, Employment Services, and training programs to state and local workforce systems. Issued by Program Year (July 1-June 30).
- **Training and Employment Notices (TENs):** TENs communicate announcements of meetings, publications, or general information important to the public workforce system, including UI programs. Issued by Program Year (July 1-June 30).
- **Handbooks and Technical Assistance Guides:** These documents are issued to assist State Workforce Agencies by conveying technical instructions, information, or guidance concerning either (1) a specific program or administrative area or (2) a group of related activities or functions pertaining to a single program or administrative area.
- **Bulletins:** ETA's special targeted programs, such as the Migrant and Seasonal Farmworker Program, Indian and Native American Program, and Senior Community Service Employment Program, use these documents to communicate to their field structure.
- **Changes:** Changes to an advisory are issued as a change to the original document (i.e., UIPLs or TEGLs) and are numbered with the same year as the original document even if the change is issued in a later year. The advisory and all changes to it are found under the year in which it was first issued. This may be Program Year or Fiscal Year. Please check the above paragraphs to determine under what type of year your selection is listed.

ETA advisories, including most UIPLs, TEGLs, TENs, and Handbooks and issuances are accessible at <http://wdr.doleta.gov/directives/>.



U.S. Department of Labor Resources

The following are links to helpful web sites pertaining to the unemployment insurance program:

- Employment and Training Administration (ETA) (<http://www.doleta.gov/>)
- ETA Library – Legislation, Regulations, Advisories, etc. (<http://www.doleta.gov/reports/>)
- OUI Document Management System – UI Program Letters, ETA Handbooks, etc. (<https://oui.doleta.gov/unemploy/dms.asp>)
- UI Performance Management Page (<https://oui.doleta.gov/unemploy/performance1.asp>)
- U.S. Department of Labor’s YouTube channel – Webinar archive (<https://www.youtube.com/user/USDepartmentofLabor>)
- Grant Application and Award Database (<https://www.dol.gov/general/grants/howto>)
- UI Program Data Page (<https://oui.doleta.gov/unemploy/DataDashboard.asp>)
- UI Program Overview Page – Legislation, Regulations, Conformity, State Law (<https://oui.doleta.gov/unemploy/laws.asp>)
- Comparison of State UI Laws (<https://oui.doleta.gov/unemploy/statelaws.asp#sigprouilaws>)
- UI Budget Page (<https://oui.doleta.gov/unemploy/budget.asp>)
- Federal Unemployment Tax Act (<https://www.govinfo.gov/content/pkg/USCODE-2017-title26/pdf/USCODE-2017-title26-subtitleC-chap23.pdf>)
- Social Security Act (http://www.socialsecurity.gov/OP_Home/ssact/title03/0300.htm)

Other Resources including Training

National Association of State Workforce Agencies

The National Association of State Workforce Agencies (NASWA) (<http://www.naswa.org/>) is an organization of state administrators of unemployment insurance laws, employment services, training programs, employment statistics, and labor market information. NASWA has strengthened the workforce system through information exchange, liaison, and advocacy. Its guiding principles are to advance the state role in the workforce system; invest in training and professional development; and lead in coordinating local, state, and Federal roles. In addition, NASWA conducts an annual conference for State Workforce Agency administrators to provide



them a forum to share innovative ideas, policies, and best practices for program administration and information technology implementations. NASWA also has a UI Committee made up of UI directors from many states. This committee usually hosts a UI Directors Conference each year. Also, NASWA periodically publishes electronic reports/newsletters that are a good source of information regarding current UI related news and events.

UI-Information Technology Support Center

The UI-ITSC (<http://www.itsc.org/Pages/default.aspx>) is a national resource established by the U.S. Department of Labor to assist all state unemployment insurance agencies in the area of UI information technology. ETA created ITSC in 1994 through a cooperative agreement with the State of Maryland to develop products and services and to support state UI agencies with their IT needs (see UIPL No. 33-94). In 2009, the National Association of State Workforce Agencies' Center for Employment Security Education and Research (NASWA/CESER) became ITSC's operator. ITSC plays an important role in increasing communication and content sharing between states, helping them keep abreast of current IT-related issues and needs within the UI community. Through the years, the ITSC has developed numerous software programs for the unemployment insurance and workforce systems that are made available at no cost to the states.

The mission of ITSC in recent years has focused on supporting state UI IT modernization efforts. To support states with their UI IT Modernization efforts, the ITSC has developed a repository of UI IT modernization artifacts and resources that may be used by individual states and state consortia for modernizing UI IT systems. To promote and share best practices, ITSC has developed a resource titled "*The UI Business Process and IT Modernization Guidebook*" that provides an in-depth overview of UI IT modernization projects. Additionally, ITSC has developed and hosts training for states on the business analysis function as it relates to developing UI IT Modernization solutions. These training modules are based on practical approaches and on UI-specific successful practices of states and consortiums for eliciting and managing requirements. State staff attending these training sessions may be able to apply these skills to UI IT Modernization efforts within their state UI agencies.

Helpful suggestion: UI Directors and state UI staff can request access to ITSC's "Members Member Only" Web site. You can do so by contacting the ITSC webmaster from the ITSC Web site.

UI Integrity Center of Excellence

The UI Integrity Center of Excellence (Integrity Center) (<https://integrity.naswa.org/>) serves as a state-driven source of innovative program integrity strategies to prevent and detect improper payments, reduce fraud, and bring the UI program into compliance with the requirements of the IPERA of 2010. A state-driven approach is fundamental since state agencies operate the



Federal-State UI program and make the benefit payments. The New York State Department of Labor and NASWA operate the Integrity Center through cooperative agreements with the Department.

The Center's mission also includes offering states technical assistance and collecting and disseminating best practices among the states. Center activities supplement and support, but do not duplicate, activities that states are already implementing to reduce UI improper payments by 1) providing states with access to an Integrity Data Hub (IDH) to assist states with cross-matching for the prevention and detection of improper payments and fraud; 2) providing on-site technical assistance and intensive services to states to support efforts to reduce improper payments; 3) supporting ongoing knowledge-sharing among states through the identification of integrity practices across the UI program and dissemination of information through an Integrity Knowledge Exchange; and 4) offering program integrity training for state staff via online modules leading to credentials through a UI Integrity Training Academy.

Helpful suggestion: UI Directors and UI staff can register to be members of the UI Community of Practice at <https://www.workforcegps.org/>. Registered members are allowed to gain access to publicly restricted portions and material on the UI Integrity Center website, including the Integrity Knowledge Exchange and the National Integrity Academy.

UI Program Training

The UI Training Center contains several modules that focus on UI program processes. Each of these modules provides a basic overview of program processes and an introduction to USDOL reports and handbooks. Some training modules include the following:

- Benefits Timeliness and Quality
- Benefit Accuracy Measurement
- Federal Resource Justification Module
- Interstate Benefits
- Non-monetary Determination
- Pretexting

The UI Training Center repository of OUI-developed training modules is available on the ITSC Web site (<http://www.itsc.org/Pages/UI-Learning-Center.aspx>).



UI Technical Training Notes

The UI Training Center also provides training to users of the UI SUN system, data validation processes, reporting, and other technologies. This technical training is hosted by ITSC (<http://www.itsc.org/Pages/UI-Learning-Center.aspx>). This section contains technical training notes that are used for in-person training courses. Some topics covered in the technical training section include:

- SUN System Administration
- BAM Investigator Training
- Intro to SQL for Data Validation
- Data Mining / Program Improvement
- Intro to Database Reports

Federal-State Unemployment Compensation Legislative Seminar

In order to make this training available to more Federal and state UI agency staff, OUI developed a self-paced online training course available to the UI community. The online course has 11 lessons: Introduction to UC, History of the Federal-State UC Program, Federal Conformity and Compliance Process, Coverage and the FUTA Tax, Experience Rating, Benefit Standards, Immediate Deposit and Withdrawal Standards, Title XII Advances, Administration and Payment When Due, Appeals, and Confidentiality and Disclosure. The lessons are self-paced and take approximately 25 hours to complete. This training is available on the members' only portion of the ITSC UI Learning Center Web site (<http://www.itsc.org/Documents/Course%20Descriptions/Legislative%20Course%20Description.pdf>).

Code of Federal Regulations

The Code of Federal Regulations (<http://www.dol.gov/dol/cfr/>) is a source for Department of Labor-related Federal regulations.

Federal Register

The Federal Register (<https://www.federalregister.gov/>) is the official publication in which Federal government agencies publish rules and regulations, proposed rules including petitions for rulemaking, and notices of hearings, grant applications, administrative orders, and other announcements of government actions.

Community of Practice

Launched in the summer of 2011, the Unemployment Insurance Community of Practice (UI CoP) is a private community available exclusively to state and Federal UI practitioners. The UI



CoP is intended to expand opportunities for states to communicate and collaborate with each other, and to help the UI community in creating, building, and sharing knowledge.

To join the UI CoP, please visit <https://ui.workforcegps.org/> to register as a member.

Helpful suggestion: Once you have registered as a member of the UI CoP, you should subscribe to receive a weekly digest of hot topics and conversations on the UI CoP.

Webinars

The U.S. Department of Labor conducts webinars for states when new laws, regulations and programs are implemented. Announcements of upcoming webinars are commonly made through UI Program Letters, Training and Employment Notices, and Training and Employment Guidance Letters, as well as email messages from national and regional Department of Labor staff.

Directory of U.S. Department of Labor National and Regional Offices

U.S. Department of Labor
Employment and Training Administration
Office of Unemployment Insurance

Frances Perkins Building
200 Constitution Avenue, N.W.
Washington, DC 20210

Employment and Training Administration (ETA) Regional Offices

Region 1

U.S. Department of Labor
Employment and Training Administration
John F. Kennedy Federal Building

25 New Sudbury Street, Room E350
Boston, Massachusetts 02203

(617) 788-0170

Web site: (<https://www.doleta.gov/regions/region-1.cfm>)

States/territories served: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Puerto Rico, Rhode Island, Vermont, and the U.S. Virgin Islands



Region 2

U.S. Department of Labor
Employment and Training Administration
The Curtis Center

170 South Independence Mall West, Suite 825 East

Philadelphia, Pennsylvania 19106

(215) 861-5200

Web site (<https://www.doleta.gov/regions/region-2.cfm>)

States served: Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia

Region 3

U.S. Department of Labor
Employment and Training Administration
Atlanta Federal Center

61 Forsyth Street, S.W., Room 6M12

Atlanta, Georgia 30303

(404) 302-5300

Web site (<https://www.doleta.gov/regions/region-3.cfm>)

States served: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee

Region 4

U.S. Department of Labor
Employment and Training Administration

525 Griffin Street, Room 317

Dallas, Texas 75202

(972) 850-4600

Web site (<https://www.doleta.gov/regions/region-4.cfm>)

States served: Arkansas, Colorado, Louisiana, Montana, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, and Wyoming



Region 5

U.S. Department of Labor
Employment and Training Administration
Kluczynski Federal Building

230 South Dearborn Street, 6th Floor
Chicago, Illinois 60604

(312) 353-5400

Web site (<https://www.doleta.gov/regions/region-5.cfm>)

States served: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Ohio, Missouri, Nebraska and Wisconsin

Region 6

U.S. Department of Labor
Employment and Training Administration

90 7th Street, Suite 17-300
San Francisco, California 94103

(415) 625-7900

Web site (<https://www.doleta.gov/regions/region-6.cfm>)

States/territories served: Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon and Washington



Unemployment Insurance Acronyms

AAW	Average Annual Wage
ABP	Alternative Base Period
AHCM	Average High Cost Multiple
ALJ	Administrative Law Judge
ALP	Acceptable Levels of Performance
ATAA	Alternative Trade Adjustment Assistance
AW	Annual Wage
AWW	Average Weekly Wage
BAM	Benefit Accuracy Measures
BLS	Bureau of Labor Statistics
BP	Base Period
BPC	Benefit Payment Control
BPW	Base Period Wages
BTQ	Benefits Timeliness and Quality
BY	Benefit Year
CAP	Corrective Action Plan
CESER	Center for Employment Security Education and Research
CFR	Code of Federal Regulations
CQ	Calendar Quarter
CRM	Customer Relations Management
CWC	Combined Wage Claim
CY	Calendar Year
DA	Dependents Allowance



DL	OUI's Division of Legislation
DFAS	OUI's Division of Fiscal & Actuarial Services
DOL	Department of Labor
DPM	OUI's Division of Performance Management
DQ	Disqualification
DUA	Disaster Unemployment Assistance
DUIO	OUI's Division of Unemployment Operations
DV	Data Validation
EB	Extended Benefits
EBP	Extended Base Period
EE	Employee
EEO	Equal Employment Opportunity
EFT	Electronic Funds Transfer (Direct Deposit)
ER	Employer
ER	Eligibility Review
ESAA	Employment Security Administration Account
ETA	USDOL's Employment and Training Administration
EUC	Emergency Unemployment Compensation
EUCA	Extended Unemployment Compensation Account
FECA	Federal Employees Compensation Act
FEDES	Federal Employer Data Exchange System
FEIN	Federal Employer Identification Number
FEMA	Federal Emergency Management Agency
FLSA	Fair Labor Standards Act
FSC	Federal Supplemental Compensation



FTE	Full-Time Equivalent
FR	Federal Register
FUA	Federal Unemployment Account
FUTA	Federal Unemployment Tax Act
FY	Fiscal Year
GPRA	Government Performance and Results Act
HAA	Higher Authority Appeal
HCM	High Cost Multiple
HQ	High Quarter
HQW	High Quarter Wage
IB	Interstate Benefits
UI-ICON	Unemployment Insurance - Interstate Connection Network
IDH	Integrity Data Hub
IDV	Identity Verification
IPIA	Improper Payment Information Act of 2002
IPERA	Improper Payment Elimination and Recovery Act of 2010
IPERIA	Improper Payment Elimination and Recovery Improvement Act of 2012
IT	Information Technology
UI-ITSC	UI Information Technology Support Center
IUR	Insured Unemployment Rate
IVR	Interactive Voice Response
LAA	Lower Authority Appeal
LMI	Labor Market Information
MBA	Maximum Benefit Amount
MOU	Memorandum of Understanding



MQ	Multi-Quarter
MSDES	Military-State Data Exchange System
MSHA	USDOL’s Mine Safety & Health Administration
MWBA	Maximum Weekly Benefit Amount
NAFTA	North American Free Trade Agreement
NAICS	North American Industry Classification System
NASWA	National Association of State Workforce Agencies
NC	Non-charge
NDNH	National Directory of New Hires
NO	ETA’s National Office (USDOL)
NPRM	Notice of Proposed Rulemaking
OA	ETA’s Office of Apprenticeship
ODEP	USDOL’s Office of Disability Employment Policy
OIG	USDOL’s Office of Inspector General
OLMS	USDOL’s Office of Labor-Management Standards
OMAS	ETA’s Office of Management and Administrative Services
OMB	Office of Management and Budget
OP	Overpayment
ORM	ETA’s Office of Regional Management
OSHA	USDOL’s Occupational Safety & Health Administration
OUI	ETA’s Office of Unemployment Insurance
OWCP	USDOL’s Office of Worker’s Compensation Program
PII	Personally identifiable information
PIN	Personal Identification Number
QC	Quality Control



RA	ETA's Regional Administrator
RESEA	Reemployment Services and Eligibility Assessment
RJM	Resource Justification Mode
RO	ETA's Regional Office (USDOL)
SAR	Suspicious Actor Repository
SBR	Supplemental Budget Request
SDNH	State Directory of New Hires
SEA	Self Employment Assistance
SEIN	State Employer Identification Number
SESA	State Employment Security Agency
SF	Standard Form
SIDES	State Information Data Exchange System
SMSA	State Metropolitan Statistical Area
SOC	Standard Occupational Classification
SQSP	State Quality Service Plan
SSA	Social Security Act
STC	Short-Time Compensation
SUIESO	State Unemployment Insurance and Employment Service Operation
SUTA	State Unemployment Tax Act
SWA	State Workforce Agency
TAA	Trade Adjustment Assistance
TDI	Temporary Disability Insurance
TEGL	Training and Employment Guidance Letter
TEN	Training and Employment Notice
TOP	Treasury Offset Program



TPS	Tax Performance System
TRA	Trade Readjustment Allowance
TUR	Total Unemployment Rate
UC	Unemployment Compensation
UCFE	Unemployment Compensation for Federal Employees
UCX	Unemployment Compensation for Ex-Servicemembers
UI	Unemployment Insurance
UI CoP	Unemployment Insurance Community of Practice
UIPL	Unemployment Insurance Program Letter
UIR	Unemployment Insurance Report
U.S.C.	United States Code
USDOL	United States Department of Labor
UTF	Unemployment Trust Fund
VETS	USDOL's Veteran's Employment and Training Services
WARN	Worker Adjustment and Retraining Notification
WBA	Weekly Benefit Amount
WC	Worker's Compensation
WHD	DOL's Wage and Hour Division
WIA	Workforce Investment Act of 1998
WIB	Workforce Investment Board
WIOA	Workforce Innovation and Opportunity Act of 2014
WPRS	Worker Profiling and Reemployment Services
WRIS	Wage Record Interchange System
WW	Weekly Wage