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State of Wisconsin
Department of Workforce Development
Jim Doyle, Governor
Roberta Gassman, Secretary

MEMO

Date: July 7, 2009
To: Wisconsin State Agencies
From: Roberta Gassman, Secretary
Re: Furloughs and UI benefits

I am writing you today to share information regarding your agency employees' potential eligibility for Unemployment Insurance (UI) benefits during periods of furlough.

In general, payments of UI benefits to furloughed employees are permitted under UI law. UI benefits are calculated on a week by week basis. UI payments to workers for a given week are calculated based upon the individual's UI "Weekly Benefit Rate (WBR)" and gross earnings, if any, for the week.

If a worker is furloughed for a **full week**, the worker would be eligible to receive UI in an amount ranging from \$54 to \$363 per week, depending upon that individual's earnings history.

However, if a worker is furloughed for merely **part** of a week, the individual's UI payment is reduced in proportion to the worker's gross earnings for work performed during the week.

DWD-UI calculations estimate that:

- At 32 hours of work per week (i.e., one day of furlough per week), a state worker earning more than approximately \$17.50 per hour would not be eligible for any UI payment for the week. State workers earning a lower rate of pay may be eligible for a UI payment of some amount. In most cases and under normal circumstances, employees earning between \$8 and \$17 per hour would be eligible for payments ranging from \$8 to \$14.

However, the American Recovery and Reinvestment Act of 2009 includes a provision that augments any UI payment with an additional \$25. The result is that a claimant who would under normal circumstances have received \$10 will instead receive \$35. Our expectation is that this additional payment will likely prompt more furloughed workers to file for benefits. This additional payment, known as Federal Additional Compensation (FAC), is in effect through the week ending July 3, 2010.

For each UI claim filed, the employing department, agency, or campus will receive claim verification paperwork to review and return to DWD. Typically, these are sent to agency human resources or payroll units. There are mandated timeframes within which such documents must be returned to DWD.

We encourage you to share any pre-scheduled planned agency furlough days with UI so that they might anticipate UI claimant activity.

If you have a question regarding potential UI eligibility, please contact Lutfi Shahrani at 608-266-8211.