



January 18, 2019

Dear State Workforce Administrators and Unemployment Insurance Directors:

This letter serves as an update for state unemployment administrators regarding eligibility under the Unemployment Compensation for Federal Employees (UCFE) program during lapses in Federal appropriations, including the current partial lapse in Federal appropriations.

Before the partial lapse in Federal appropriations, the Department of Labor's Employment and Training Administration (ETA) actively worked with states, the Office of Personnel Management (OPM), and other Federal agencies to ensure that states were able to provide benefits to eligible impacted Federal workers as expeditiously as possible. Additional information was also provided through a variety of methods, including OPM's and ETA's websites for Federal workers and agencies; directly to states; and to Federal agencies through calls convened by OPM prior to the lapse in appropriations.

ETA also recently reminded states of the longstanding 2013 guidance (Unemployment Insurance Program Letter (UIPL) No. 31-13). Below are links to this guidance:

UIPL No. 31-13 – [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=7589](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7589)

UIPL No. 31-13 Change 1 – [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=6475](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6475)

UIPL No. 31-13 Change 2 – [https://wdr.doleta.gov/directives/corr\\_doc.cfm?DOCN=8790](https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8790)

These documents explain the various types of status for Federal employees (*i.e.*, furloughed, excepted, intermittent excepted, exempt) and their respective eligibilities for unemployment insurance compensation.

Subsequently, on Jan. 16, 2019, the Government Employee Fair Treatment Act of 2019 was passed which guarantees payment to all Federal employees, including those on furlough, upon the end of the lapse in appropriations.

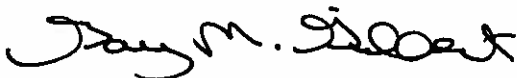
States are again advised that furloughed Federal employees are eligible for UCFE under the same state requirements and conditions for other laid-off workers as outlined in the 2013 guidance contained in UIPL 31-13 and its amendments. The Federal government will reimburse states for those benefits through normal processes. Notably, UIPL 31-13, in Changes 1 and 2 (dated October 24, 2013, and November 22, 2013, respectively), provides that repayment of the UCFE benefits provided to furloughed employees in 2013 is required after the appropriations lapse ends and Federal employees are compensated for furloughed time as part of the new appropriation. Now that a new law guarantees such payment, that issue is not in doubt for this lapse in appropriations, and states should make plans to recover any payments made to furloughed Federal employees upon the end of the lapse in appropriations and the payment of back pay as required by law.

UIPL 31-13 also outlines guidance for full-time excepted Federal workers, *i.e.*, those still performing full-time work but not being compensated until the end of the lapse in appropriations. Pursuant to Federal and state Unemployment Insurance (UI) requirements, because these individuals continue to provide full-time services, they are not generally considered unemployed/furloughed for Federal or state law purposes. States are cautioned that Federal funding for administrative costs or any unemployment benefits paid by the states to such workers will be unavailable. States should not use Federal funds for this purpose and should not expect Federal reimbursement or assistance with regard to recovering any benefit payments when the lapse in appropriations ends.

“Excepted intermittent” employees are generally working less than full-time and may not be working at all. These employees also will not be paid for their excepted work or furlough time until Congress appropriates the funds. Like furloughed employees, “excepted intermittent” employees are eligible for UCFE under the same state requirements and conditions as other laid-off workers as outlined in the 2013 guidance contained in UIPL 31-13 and its amendments. Therefore, they may be eligible for partial or full UCFE benefits depending on the hours of work or the amount of wages earned during the week. As with furloughed employees, Government Employee Fair Treatment Act of 2019, guarantees full payment for all hours worked or not worked upon the end of the lapse, and states should make plans to recover any payments for furloughed time made to excepted intermittent Federal employees upon the end of the lapse in appropriations as required by law. States, however, should not use Federal funds for compensating these employees for any week in which full-time excepted work was performed and should not expect Federal reimbursement or assistance with regard to recovering any benefit payments made to them for excepted work when the lapse in appropriations ends.

ETA remains available to answer any additional questions you may have regarding this lapse in appropriations and UCFE benefits. If you have any questions or need further assistance, please contact me at (202) 693-3029.

Sincerely,

A handwritten signature in black ink, appearing to read "Gay M. Gilbert". The signature is fluid and cursive, with the first name "Gay" being the most prominent.

Gay M. Gilbert  
Administrator  
Office of Unemployment Insurance