

Unemployment Insurance Facts

Purpose of unemployment insurance

- To alleviate hardship when an individual suffers loss of income through involuntary unemployment, and
- To maintain purchasing power in the economy to prevent severe economic depression.

Who is eligible to receive benefits?

If you are an unemployed worker seeking unemployment insurance benefits, you must:

- Have worked for an employer covered by the Employment Security Act. Independent contractors or self-employed workers are not covered.
- Have been terminated from employment due to no fault of your own.
- Be available and actively seeking full-time work. You must be willing to work during customary hours at customary wages and be mentally and physically able to work.
- Have total wages of at least 1.25 times your highest quarterly wages and have been paid at least \$1,872 in covered wages in one calendar quarter.

How much can an unemployed worker receive each week and for how long?

- The weekly benefit amount varies, up to a maximum of 60 percent of the state's average wage. A claimant's highest quarterly earnings in the "base period" are divided by 26 to determine this amount. The maximum duration is 26 weeks. The benefit amount is determined by the ratio of your highest quarterly earnings to total earnings in the base period.

More . . .

- Unemployment insurance provides short-term financial assistance to you if you become unemployed through no fault of your own.
- The employer you work for pays the "premiums" for this insurance program. The premiums are in the form of a tax based on the wages you earn.
- Idaho law regulates how unemployment insurance works in Idaho. Each state has its own laws governing this program. The laws vary from state to state.
- You must meet certain conditions to qualify for unemployment insurance. It is an eligibility program, not an entitlement program. Your eligibility is considered on a week-to-week basis.
- In broad, basic terms you must be ABLE, AVAILABLE and SEEKING WORK each and every week to qualify for unemployment insurance benefits.
- You must be unemployed through NO FAULT of your own.

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- Your unemployment claim will be based on your earnings from a 12-month period called the “base period.” You can only file one claim during any 12-month period.
- Every unemployment insurance claim is considered on its own merit.
- Unemployment benefits are taxable. Federal taxes can be withheld optionally at the rate of 10 percent of the weekly benefit.

The following specific benefit program rules, from the Idaho Administrative Rules that have the force and effect of law, may apply to you:

Definition of Unemployment. Individuals are considered unemployed when, in any week, they are not working and do not earn any wages or if they are working part-time and do not earn more than one and a half times their benefit amounts.

Severance Pay. If individuals claim unemployment and are receiving periodic severance payments, they must report the payments for the time period they cover. However, if they receive the severance pay in a lump sum when employment is severed, the payments must be reported when paid.

More details about unemployment insurance for Idaho workers can be found in the publication, “Unemployment Insurance Claimant Handbook” available at labor.idaho.gov/publications/UI_handbook.pdf in English or labor.idaho.gov/ftp/uihandspan.pdf in Spanish.

What this means to you

If you are separated from your employer and qualify for a salary continuation package for a specific number of weeks, you will not be considered “unemployed” until the salary continuation ends. You may file for unemployment insurance immediately upon separation but will not be eligible for benefits until your severance pay ends.

If you are separated from your employer without a salary continuation package, you will be considered to be unemployed at the time of separation.

You can still receive your full weekly unemployment benefit if you work a part-time job that pays half or less of that weekly benefit amount. If the part-time job pays more than half of your weekly benefit amount, your benefit amount will be reduced dollar for dollar for the part-time wage that is more than half the weekly benefit amount. **Example:** You receive \$336 a week in unemployment benefits. Your part-time job pays \$166 per week, which is less than one-half of your benefit amount so you can collect your entire weekly benefit. But if your part-time job pays \$200 a week, which is \$32 above one-half of your benefit, your weekly benefit for that week will drop to \$304.

You may file an unemployment insurance claim online at labor.idaho.gov or contact the local office nearest you.

labor.idaho.gov

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