

Unemployment Update – Extended Benefits Extended Again

Federal Funding of Extended Benefits Continued

On Friday, December 23rd, President Obama signed the Temporary Payroll Tax Cut Continuation Act of 2011, which included legislation that extends the deadlines for applying for and receiving the federally funded Emergency Unemployment Compensation (EUC) benefits. The federal funding of State Extended Benefits (EB) was extended as well.

Emergency Unemployment Compensation (EUC) Extended Benefits

Based on several factors, individuals may receive up to an additional 53 weeks of unemployment benefits once they have exhausted the benefits available to them through the regular state unemployment insurance program. In most states, the duration of regular state benefits is 26 weeks.

The good news for employers is these EUC benefits continue to be 100% funded by the federal government. No employers are being asked to pick up any portion of the cost related to these benefits.

Under the most recent legislated provisions, individuals who exhaust their **regular** benefits no later than the week ending **March 6, 2012** can apply for EUC benefits. However, no EUC benefits will be paid for weeks of unemployment after **August 15, 2012** without another extension.

State Extended Benefits (EB)

Based on varying state economic factors, individuals who exhaust both their regular state benefits and their federally funded EUC benefits may be eligible for up to 20 weeks of state extended benefits.

The new legislation signed by President Obama also extended the federal funding of these state extended benefits to include benefit weeks ending prior to **March 7, 2012**. This applies to both taxpaying and reimbursing employers, with the exception of government entities (school districts fall under this heading) and Indian tribes.

Summary

Depending on the state in which an individual worked, they may currently be eligible to receive up to a maximum of 99 weeks of unemployment compensation benefits (26 weeks of regular benefits, 53 weeks of federal extended benefits and 20 weeks of state extended benefits). In states where the employment climate has slightly improved, state extended benefits are no longer being paid and individuals can receive a total of only 79 weeks of benefits.

For those who have exhausted all potential weeks of benefits, there are no additional benefits available to them. However, as the number of individuals who have exhausted all of their benefits continues to rise and we get deeper into the presidential election season, there may be pressure to enact additional legislation either increasing the number of weeks of EUC benefits and/or extending the time frame for receiving them.

TALX's experience, expertise, and proven results help employers navigate the uncertainty of the unemployment insurance system. For additional information regarding this article or other proactive unemployment cost management techniques, please contact Pete Krieshok at 314-214-7325, or by e-mail at pkrieshok@talx.com or visit our corporate blog at <http://blog.talx.com>.