

Employment Law Summary

Illinois Workers' Compensation – Employee Eligibility



Because You're Different

Illinois' unemployment insurance program provides income to individuals who have lost work through no fault of their own. The program partially replaces wages lost by the employee if certain conditions are met.

The Illinois Unemployment Insurance Act (IUIA) requires most types of employers to make contributions to fund Illinois Unemployment Insurance (UI) benefits. Certain eligibility requirements must be met in order for an employee to receive UI benefits.

EMPLOYEE ELIGIBILITY REQUIREMENTS

The [Illinois Department of Employment Security](#) (IDES) determines individual eligibility for UI benefits on a weekly basis. IDES considers monetary and non-monetary eligibility criteria. To qualify for UI benefits, individuals must:

- Be unemployed through no fault of their own;
- Have received enough wages during the base period to establish a claim;
- Be able to work, available for work and actively looking for work during the week in which benefits are claimed;
- Register for work and report to an IDES office at required intervals;
- File a claim for benefits using IDES' automated Tele-Serve system or at the local IDES office; and
- Have served a one-week waiting period in which the claimant meets all eligibility requirements and is not eligible for compensation.

An employee's "base period" consists of the first four of the last five completed calendar quarters prior to the beginning of an individual's benefit year. To establish a monetarily valid claim, an employee must have earned **\$1,600** or more in wages during his or her base period, at least **\$440** of which must have been earned outside of the calendar quarter in which his or her wages were highest.

EXEMPTED EMPLOYMENT

Certain activities are not considered employment under the IUIA. As a result, employees performing these activities are not entitled to UI benefits. Employers are not required to report the wages of these employees and do not have to make contributions based on their wages.

For unemployment insurance purposes, the following individuals are excluded:

- The owner or owners (partners) of a place of employment;
- Directors of a corporation acting in the capacity of directors;
- The owner's father, mother, spouse and child under the age of 18 (owners of the majority of stock shares are not considered owners);
- Persons who do not perform any of their services in Illinois;
- Independent contractors;
- Certain types of agricultural and aquacultural workers;

- Certain types of domestic workers;
- Officers or crew members of a non-U.S. vessel or a vessel operating primarily out of Illinois;
- Persons under the age of 18 that deliver newspapers;
- Certain real estate salesmen;
- Insurance agents paid solely by commission;
- Direct sellers of consumer goods outside of a retail establishment;
- Certain owner-operators of their own trucks;
- Real estate appraisers paid on a fee per appraisal basis;
- Golf caddies under 22 years of age paid by a member;
- Certain full-time students employed by an organized camp; and
- An election official or election worker for certain governmental entities.

Nonprofit organizations also have limited employment situations that are exempt from coverage when performed in those industries. Employers engaged in these types of businesses should also inform themselves of these additional exemptions when calculating their liability for UI payments.

DISQUALIFICATION

Even though an individual may earn enough wages to establish a valid UI claim, he or she may still be disqualified from receiving UI benefits. The disqualification may prevent individuals from collecting benefits for specified periods of time or from collecting the full amount of regular benefits.

Individuals are disqualified from receiving UI benefits if they:

- Voluntarily quit without good cause in connection with work;
- Are discharged for misconduct or criminal acts in connection with work;
- Fail to apply for or accept suitable employment without good cause;
- Participate in a labor dispute other than a lockout;
- File a fraudulent claim;
- Seek or receive UI benefits from another state or from a federal unemployment claim while also receiving benefits from Illinois;
- Receive alternative benefits (such as deductible retirement, temporary partial disability, any earnings equal to or more than the weekly benefit amount, vacation pay or holiday pay);
- Were employed as education personnel, are between academic terms or on vacation or holiday recess and have the reasonable assurance of returning the following term;
- Were employed as a professional athlete, are between sport seasons and there is reasonable assurance of returning to athletic services; or
- Qualify as a non-resident alien.

APPEALS

If a UI claim is denied, IDES will send a letter of denial to the applicant. Interested parties have the right to appeal this decision within **30 calendar days** of the mailing date of the letter. Late appeals are generally not allowed.

During an appeal, a party is allowed to have an attorney or any other representative of the party's choosing to represent him or her. Attorneys are not provided for these hearings.

Provided By Heffernan Insurance Brokers

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