

# EMPLOYMENT LAW SUMMARY

## Wisconsin Unemployment Compensation – Employee Eligibility



Wisconsin unemployment insurance (UI) benefits provide income to individuals who have lost work through no fault of their own. The system is designed to reduce the harm to workers in the event of involuntary termination of employment by partially replacing lost wages if certain conditions are met.

Wisconsin's Unemployment Compensation law (WUCL) requires most types of employers to make contributions to the state unemployment insurance fund. The WUCL prohibits employers from deducting their UI contribution costs from their employees' wages. Individuals must meet UC law eligibility requirements in order to be eligible for UI benefits.

### ELIGIBILITY TO RECEIVE BENEFITS

The Wisconsin [Department of Workforce Development](#) (DWD) determines individual eligibility for benefits on a weekly basis. The DWD considers monetary and non-monetary eligibility criteria. To qualify for benefits, individuals must:

- Be totally or partially unemployed through no fault of their own;
- Have received enough wages during the base period to establish a claim;
- File an initial claim for benefits;
- Be physically able to work, be available for work, be registered for work and conduct a reasonable search for suitable work during each week in which benefits are claimed; and
- After waiting through an initial one-week waiting period, file weekly claims and maintain eligibility for each week in which benefits are claimed.

### BASE PERIOD

An employee's "base period" is a 12-month period selected from among the five calendar quarters that immediately precede the date when a UI claim is filed. Generally, the base period will use the first four of the quarters mentioned above.

To establish a monetarily valid claim, an employee must have been paid wages from covered employment in at least two quarters of their base period. During at least those two quarters, individuals must have:

- Sufficient high quarter wages to qualify for the minimum weekly benefit amount;
- Wages in the three lowest earning quarters equal to at least **four times** the individual's weekly benefit amount; and
- Total base period wages equal to at least **35 times** the individual's weekly benefit amount.

In addition, if an individual received unemployment benefits in the previous benefit year, he or she must have worked since the beginning of the benefit year in which benefits are being claimed. The individual must also have earned at least eight times the weekly benefit amount for which he or she currently qualifies.

### WEEKLY BENEFIT AMOUNT

The weekly benefit rate is subject to minimum and maximum limits that generally depend on earning rates. A [Weekly Benefit Rate Chart](#) lists all possible weekly benefit rates and the amount of total high quarter wages the claimant must receive in order to be eligible for each rate.

## EXEMPTED EMPLOYMENT

Certain employees are not covered under the WUCL. As a result, these employees 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 term "employment" does **not** include:

- Students in a work study program;
- Employees working in a hospital as a student nurse, medical intern or patient that performs services for the hospital;
- Employees of any organization exempt from certain federal income tax requirements;
- Nonresident aliens or those employed solely outside of Wisconsin;
- Certain AmeriCorps participants, agricultural worker, domestic workers and taxicab drivers;
- Caddies on a golf course;
- Sellers or distributors of newspapers or magazines from house to house;
- Those employed under the Federal Railroad Unemployment Insurance Act;
- Insurance agents or real estate salespersons paid exclusively on a commission basis;
- Unpaid corporate or association officers;
- A sole proprietor's father, mother, spouse or child, or a child (or stepchild, if legally adopted) under the age of 18 working for his or her parents;
- Court reporters;
- Salespersons employed primarily in the home paid solely by commissions, overrides, bonuses or differentials; or
- Those working in maritime operations excluded from coverage under the Federal Unemployment Tax Act.

Indian tribes, nonprofit organizations, educational organizations and government 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 unemployment insurance payments.

## DISQUALIFICATION

While an individual may make enough wages to establish a valid UI claim, the individual may still be disqualified from receiving UI benefits. Disqualification may prevent an individual 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:

- Are discharged for misconduct connected with employment;
- Are discharged for absenteeism;
- Voluntarily terminate employment with the employer;
- Are given a disciplinary suspension by the employer for good cause;
- Are an undocumented alien; or
- Receive another type of unemployment or disability benefits.

## APPEALS

If a UI claim is denied, the DWD will notify the applicant. Interested parties have the right to appeal this decision within a specified period of time. When an individual receives the determination, it will indicate at the bottom the date by which an appeal must be received or postmarked in order to be considered timely. Late appeals are generally not allowed, but may be allowed in situations where a party can show good cause in a hearing for the late appeal.

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.