EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210

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February 28, 2017

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 12-17

TO: STATE WORKFORCE AGENCIES

FROM: BYRON ZUIDEMA /s/

Deputy Assistant Secretary

SUBJECT: Adjudication of Unemployment Insurance Combined Wage Claims Issues

1. <u>Purpose</u>. To clarify existing guidance governing adjudication of any Combined Wage Claim (CWC) as set out in 20 C.F.R. Part 616, and to make a technical assistance tool available to State Workforce Agencies for staff use in addressing CWC issues previously adjudicated by another state in compliance with 20 C.F.R. 616.8 (a).

2. References.

- Section 303 of the Social Security Act (SSA);
- 20 C.F.R. Part 616; and
- ETA Handbook No. 399, Interstate Arrangement for Combining Employment and Wages.
- 3. <u>Background</u>. The CWC program allows an unemployed individual with employment and wages in more than one state to combine those wages to establish a CWC benefit year under the law of a single state to qualify for unemployment compensation. The state parties in a CWC claim consist of a paying state and at least one transferring state. The state in which the individual elects to file the CWC is the "paying state," provided the individual has employment and wages in that state's base period(s), and the individual qualifies for benefits under the law of that state using combined employment and wages. A state that transfers wages to be used in establishing the CWC is a "transferring state."

The CWC rule at 20 CFR 616.8(a) provides as follows:

"The paying State shall apply all the provisions of its law to each determination made hereunder, except that the paying State may not determine an issue which has previously been adjudicated by a transferring State. Such exception shall not apply, however, if the transferring State's determination of the issue resulted in making the Combined-Wage Claim possible under 20 CFR 616.7(b)(2)."

4. Policy Clarification. This CWC rule prohibits the paying state from re-adjudicating an issue on a CWC that has been previously adjudicated by a transferring state, with one exception.

The only exception is when the transferring state's determination on the issue made the CWC possible under 20 CFR 616.7(b)(2) by denying benefit payments for an indefinite period or the entire period for which benefits would otherwise be potentially payable. Paying states should charge employers in accordance with their state UI law.

- **5.** Action Requested. State administrators are requested to provide this guidance, including the technical assistance tool that depicts CWC Issue Adjudication processes (see Attachment A), to appropriate staff.
- **6. Inquiries.** Questions should be directed to the appropriate Regional Office.
- 7. Attachment. Combined Wage Claim Issue Adjudication Flowchart.