

# UID 20-07

## Federal Pandemic Unemployment Compensation (FPUC)

UID# 20-07  
Date 04/20/20  
Manual None

- Purpose:** To advise staff of the availability of the Federal Pandemic Unemployment Compensation (FPUC) program and how claims will be affected by FPUC.
- Background:** Federal legislation was signed into law on March 27, 2020. The Coronavirus, Aid, Relief and Economic Security (CARES) Act, Section 2104 created the Federal Pandemic Unemployment Compensation (FPUC) program. FPUC is a 100% federally funded program that provides a \$600 weekly supplement to unemployment compensation.

**Eligibility** FPUC is payable to individuals who are:

- Otherwise entitled to receive
  - Regular Unemployment Insurance (UI),
  - Unemployment Compensation for Federal Employees (UCFE),
  - Unemployment Compensation for Ex-Service Members (UCX),
  - Pandemic Emergency Unemployment Compensation (PEUC),
  - Pandemic Unemployment Assistance (PUA),
  - Extended Benefits (EB),
  - Short-Time Compensation (STC) [also known as Work-Share],
  - Trade Readjustment Allowance (TRA) and
  - Disaster Unemployment Assistance (DUA).

However, FPUC is not payable as a supplement to state additional compensation, Wisconsin Supplemental Benefits (WSB).

- Eligible to receive a payment under UI, UCFE, UCX, PEUC, PUA, EB, STC, TRA or DUA. FPUC is added after all debts are offset, forfeited, or applied to a benefit amount reduction from the individual's UI. Individuals whose UI payments are intercepted to pay debts (child support or overpayments) are eligible for the \$600 FPUC payment, even if 100% of their weekly benefit amount is intercepted.

**Period of Eligibility** Beginning with the week ending 4/4/20, UI week 14/20, and ending with the week ending 7/25/20, UI week 30/20. FPUC will not reduce either the weekly benefit amount or the maximum benefit amount.

### Implementation Completed in Two Phases

- Phase one will make the FPUC payments to all eligible individuals for week 17/20 and later.
- Phase two will be a Reach Back Scan to identify claimants who were eligible to receive FPUC benefits for weeks 14/20 ~ 16/20. This will be completed in the week following implementation of FPUC payments.

### FPUC Payments

- On both PBM and MONT, on PBM payment of FPUC will be listed separately as Frequency '01' payment type 'M' with a payment description of 'PBM - FPUC'. If the individual has

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## FPUC Payments

- ▶ Viewable on both BPMQ and MONI. On BPMQ payment of FPUC will be listed separately as Sequence '0', payment type 'M', with a payment description of 'PAID - FPUC'. If the individual has elected to have taxes withheld from UI payments the taxes withheld from the FPUC payment will be listed separately from the taxes withheld from the UI payment. If child support is deducted from FPUC payments it will be listed separately from the child support withheld from the UI payment. On MONI the FPUC payment will be listed under the WBR. It will be listed as FPUC and will show the weekly amount and total amount paid. The FPUC account number is 999153.
- ▶ Viewable on the Claimant portal in the payment history as a separate line along with the UI payment for the week.
- ▶ Taxable and will be included on the 1099-G. If an individual elects to have taxes withheld from their benefits, taxes will also be withheld from the FPUC payment at a rate of 5% for state taxes and 10% for federal taxes.
- ▶ Child support will be deducted from FPUC payments in the same manner and to the same extent as these obligations are deducted from regular UI.

## Benefits Offset

- ▶ FPUC is added to UI payments after all deductions are made, including offsets.
- ▶ 50% of future FPUC payment can be used to recover FPUC overpayments
- ▶ 50% of future FPUC payments can be used to recover other state and federal overpayments.
- ▶ 100% of future state and federal UI payments can be used to recover a FPUC overpayment.
- ▶ Benefits may be offset from state and federal UI for 3 years after the date the FPUC payment was made to which the individual was not entitled. Thereafter, payments must be recovered by methods other than offsets.

## Overpayments/Fraud

When a claimant is found totally ineligible for benefits for a week for which an FPUC payment has been made and an overpayment is established, the notice or determination should only address the overpayment of UI, UCFE, UCX, PEUC, PUA, EB, STC, TRA and/or DUA benefits. The BOMB screen should also include only those benefits. However, beginning immediately all overpayment notices (UCB-37 and UCB-37H) and determinations that totally overpay a week for which FPUC benefits were paid must notify the claimant there is an additional overpayment of FPUC for which they will receive a separate notice. This notification will be included on determinations by using M728. It is extremely important that staff remember to include M728 whenever benefits are totally overpaid for a week for which FPUC was paid. In addition to notifying the claimant that there is an additional overpayment, it will also alert hearings office staff that there is a related overpayment to be considered.

A separate notice will automatically be issued to notify claimants there is an additional overpayment of FPUC benefits whenever an overpayment notice or determination totally denies a week for which FPUC was paid. FPUC overpayment notices are non-appealable. The UCB-28 Notice of Federal Pandemic Unemployment Compensation Overpayment is the result of the decision or notice that found that the week was completely overpaid. The notice refers the claimant to the original determination for appeal procedures.

Types of FPUC overpayment entries that appear on the disputed claims record:

- ▶ **Automated AD228:** An AD228 will be issued to a claimant as a form type UCB-28 if the claimant is required to pay back the FPUC received for a week that was totally overpaid. The AD228 notice will be created during the same nightly batch cycle as the primary overpayment decision is mailed, however the mail date on the AD228 will have a one-day delay. The FPUC overpayment is calculated based on the primary overpayment, therefore, it cannot be calculated until after the primary overpayment is sent to SUITES.
- ▶ **Manual AD228:** ASP (Adjustments and Special Programs) also issue the AD228 as a UCB-20 if the system is unable to do so automatically.
- ▶ **Manual AD128:** An AD128 will be issued as a UCB-35W if the FPUC overpayment is waived because the overpayment was waived on the primary decision. Nothing is mailed to the claimant when the FPUC overpayment is waived.

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When a primary decision is amended, redetermined, reversed or set aside the system will amend the prior AD228 decision by issuing an AD010.

A finding of fraud on the primary issue does not allow the establishment of a penalty on FPUC payments that were obtained fraudulently.

3. **Action Required:** Ensure staff are aware of these changes.

4. **Inquiries:** Inquiries regarding system issues should be directed to Systems and Processing (S&P) at DWD MB UI GARA. Inquiries for all other issues should be directed to the Training and Outreach Unit at DWD MB UI DARA Adjudication.

5. **Attachment:**  
Form UCB-28, Notice of Federal Pandemic Unemployment Compensation Overpayment (also available on the Benefits Tool Directory under the Claimant Forms link).

6. **Reference:** Public Law 116-136; Title II, Subsection A, Section 2104; Unemployment Insurance Program Letter No. 14-20 and 15-20.

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Unemployment Insurance Division

MR:BBueggeman/HCorro