# **Guidance Document**

Pursuant to Neb. Rev. Stat. §84-901.03

This guidance document is advisory in nature but is binding on an agency until amended by such agency. A guidance document does not include internal procedural documents that only affect the internal operation of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedures Act. If you believe that this guidance document imposes additional requirement or penalties on regulated parties, you may request a review of the document.

# Requalification for Unemployment Insurance Benefits Following Voluntary Quit without Good Cause

# **DISCLAIMER:**

This guidance document is not intended to take the place of the law, but is intended to provide individuals with a general understanding of requirements related to requalification for unemployment insurance benefits. For additional information on Unemployment Insurance Benefits, individuals may consult the Handbook for Unemployed Workers ("Handbook"), or visit dol.nebraska.gov, where information is provided on the Nebraska Employment Security Law, Neb. Rev. Stat. §§48-601 through 48-683 ("NESL"), and portions of the Nebraska Administrative Code related to NESL.

#### APPLICABILITY OF THIS GUIDANCE:

This guidance is applicable to benefit years beginning on or after October 1, 2018. A benefit year is defined as the one-year period beginning with the first day of the first week with respect to which the individual first files a valid claim for benefits, and thereafter the one-year period beginning with the first day of the first week with respect to which the individual next files a valid claim for benefits are period beginning with the first day of the first week with respect to which the individual next files a valid claim for benefits are period beginning with the first day of the first week with respect to which the individual next files a valid claim for benefits after the termination of his or her last preceding benefit year.

#### OVERVIEW:

Unemployment insurance benefits are available to those who become unemployed through no fault of their own. An individual who voluntarily quits his or her most recent employment without good cause will not be eligible for unemployment insurance benefits, unless and until he or she "requalifies" for such benefits.

Requalification occurs through an individual obtaining subsequent employment (insured work), earning wages in an amount of at least four (4) times his or her weekly unemployment insurance benefit amount, and being separated from the most recent subsequent employment for a non-disqualifying reason.

In addition, an individual who quits his or her employment without good cause during the individual's base period will be subject to a benefit reduction for benefits received within the benefit year.

These requirements are described in more detail below.

#### REQUALIFICATION FOLLOWING VOLUNTARY QUIT WITHOUT GOOD CAUSE:

Prior to filing a new, additional or subsequent claim, if an individual voluntarily quits his or her most recent employment without good cause, such individual will have to "requalify" before he or she will be eligible for unemployment insurance benefits. The requalification requirement applies only to those who by so leaving make themselves "unemployed." Gilbert v. Hanlon, 1983, 214 Neb. 676, 335 N.W.2d 548.

Requalification involves all of the following:

- 1) Obtaining subsequent employment in insured work;
- 2) Earning wages in subsequent employment in the individual's current benefit year that are at least four (4) times the weekly benefit amount that the individual would otherwise have been eligible to receive (if such individual was not disqualified from benefits for a voluntary quit without good cause); and
- 3) Separation from the most recent subsequent employment for a non-disqualifying reason (meaning a voluntary quit with good cause, termination by employer for reasons other than misconduct, etc.).

#### MOST RECENT EMPLOYMENT:

Requalification is applicable to the individual's separation from his or her most recent employment. Most recent employment means the work that an individual last performed prior to filing for an initial, additional or subsequent claim for unemployment insurance benefits. In other words, the separation that caused the individual to become unemployed, and file a new, additional or subsequent claim for benefits.

#### FOUR TIMES WEEKLY BENEFIT AMOUNT:

An individual must earn wages in insured work in an amount of at least four (4) times his or her weekly unemployment insurance benefit amount in his or her current benefit year. The term "wages" is defined in Neb. Rev. Stat. §48-602. In general terms, it includes remuneration earned from employment by an employer, and includes vacation leave pay, commissions, bonuses, tips, etc. The wages must be earned after the employment that was left voluntarily without good cause. Vacation leave pay, commissions, bonuses, tips etc., earned based on employment prior to a separation for voluntarily leaving without good cause will not be considered in calculating the requalification amount. Subsequent wages earned in insured work may be made in part-time, full-time, or temporary work.

#### SUBSEQUENT EMPLOYMENT SEPARATION:

Subsequent employment is any employment that **begins** after the separation from work without good cause. Most recent subsequent employment is determined by the start and end date of the any subsequent employment. The separation from the most recent subsequent employment must be under non-disqualifying conditions.

If the subsequent employment ends for reasons that are disqualifying, an individual will not have met the requalification requirement.

#### BENEFIT REDUCTION FOR VOLUNTARY QUIT WITHOUT GOOD CAUSE:

Benefit reductions pursuant to Neb. Rev. Stat. §48-626 apply to each voluntary quit without good cause from a base period employer. The individual's benefit reduction will be calculated as follows:

 Two times an individual's weekly benefit amount – if he or she voluntarily quits for the sole purpose of accepting previously secured, permanent, full-time, insured work, which he or she does accept, which offers a reasonable expectation of betterment of wages or working conditions, or both, and for which he or she earns wages payable to him or her; or 2) Thirteen times an individual's weekly benefit amount – if he or she voluntarily quits without good cause for any reason other than that described in item (1) above.

No more than one reduction can be made for each separation from employment.

## TEMPORARY EMPLOYEES:

Temporary employees are subject to the requalification and benefit reduction provisions contained in this guidance.

Temporary employees may also be found to have voluntarily quit without good cause. A temporary employee of a temporary help firm has left work voluntarily without good cause if: (1) the temporary employee does not contact the temporary help firm for reassignment upon completion of an assignment; (2) the temporary employee has been advised by the temporary help firm of his or her obligation to contact the temporary help firm upon completion of assignments; and (3) the temporary employee has been advised by the temporary help firm that the temporary employee may be denied benefits for failure to do so.

## EXAMPLES:

#### Jane:

- Jane works for ABC Company full-time. She also works for XYZ Company part-time on the weekends.
- Jane quits ABC Company without good cause on December 1<sup>st</sup>. Jane continues to work for XYZ, but files for unemployment while working for XYZ.
- Jane will not meet the requalification requirement until she finds subsequent employment with a new employer.

#### Joe:

- Joe works for ABC Company full-time as a salesperson.
- Joe quits ABC Company without good cause on December 1st.
- Joe receives a commission from a November sale on December 20th.
- The commission received on December 20th will not count as wages for purposes of meeting the requalification requirement.

#### Jane:

- Jane works for ABC Company full-time. She also works for XYZ Company part-time on the weekends.
- Jane quits XYZ Company without good cause on December 1<sup>st</sup>. Jane continues to work for ABC Company on a full-time basis.
- Jane is laid off from ABC on December 10<sup>th</sup>.

• The requalification requirement does not apply to Jane.

# STATUTORY AUTHORITY:

Neb. Rev. Stat. §§48-602, 48-626, 48-628.12, and 48-628.13